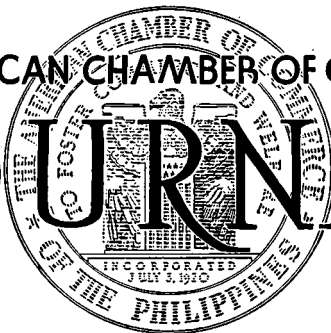


THE AMERICAN CHAMBER OF COMMERCE

JOURNAL



Published monthly by the American Chamber of Commerce of the Philippines
Elks Club Building, Manila, Philippines — Telephone No. 3-23-24

A. V. H. Hartendorp
Editor and Manager

Entered as second class matter at the Manila Post Office on May 25, 1921, and on December 10, 1945
Subscription rate: ₱5.00 the year; \$5.00 in the United States and foreign countries

Officers and Members of the Board of Directors of the American Chamber of Commerce of the Philippines

Paul R. Parrette, President; W. M. Simmons and E. E. Selph, Vice-Presidents; A. H. Henderson, Treasurer; F. C. Bennett, S. W. G. Lehman, John Oppenheimer, F. H. Spengler, and Paul H. Wood. Stanley N. Fisher, Executive Vice-President; I. T. Salmo, Secretary

Vol. XXX

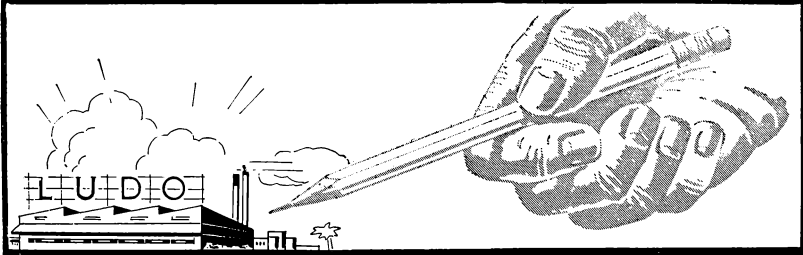
September, 1954

No. 9

Contents

Editorials—		
The Manila Conference of 1954		331
The "Objections" to the Bell Trade Act		332
Mr. Abello's Two Questions		332
"Perpetuating a Colonial Economy"		334
Russell on the Bomb and World Government		334
Comment on Various Objections to the Bell Trade Act	Chamber Committee on Trade Act Revision	335
Synoptic List of Government-Owned and Controlled Corporations and Business Agencies		337
The Pacific Charter		338
The South East Asia Collective Defense Treaty and Protocol		338
Letter of Secretary of State Dulles on the Defense of the Philippines under the Mutual Defense Treaty of 1951		338
Philippine Trade Proposals Prematurely Revealed		336
The Business View		
The Government	From Official Surces	340
Banking and Finance	M. D. ARNOLD	344
Manila Stock Market	J. J. ORTIGAS	344
Credit	P. W. HANNAFORD	345
Electric Power Production	J. F. COTTON	346
Building Construction	J. J. CARLOS	346
Real Estate	A. VARIAS	346
Port of Manila	W. S. HURST	346
Ocean Shipping and Exports	E. H. BOSCH	347
Freight Car Loadings	J. B. LIBUNAO	347
Lumber	P. DE OCAMPO	347
Mining	H. A. BRIMO	348
Copra and Coconut Oil	W. S. RICE, JR.	349
Desiccated Coconut	H. R. HICK	350
Sugar	J. H. D'AUTHREAU	351
Manila Hemp	F. P. HILL	353
Tobacco	R. P. SATRUSTEGUI	354
Rice	C. O. HOUSTON, JR.	355
Imports	S. SCHMELKES	358
Food Products	C. G. HERDMAN	359
Textiles	A. MARGOLLES	360
Legislation, Executive Orders, Court Decisions	E. E. SELPH	361
Philippine Safety Council	F. S. TENNY	363
Cost of Living Price Index (1953-1954)	Bureau of the Census and Statistics	262
The "Let Your Hair Down" Column		364

Coconut oil mill runs 24 hours a day for 15 months — without breakdown!



*—Lu Do and Lu Ym
Coconut Oil Mill
Cebu City



HERE'S AN ACTUAL CASE HISTORY * FROM STANDARD-VACUUM'S FILES!

Could two 514 H.P. diesel engines, running simultaneously, stand the terrific strain of a continuous operation over a long period? That was the problem facing the Lu Do and Lu Ym Coconut Oil Mill of Cebu City. Engine trouble could upset their production schedule, cause costly repairs and shutdown losses. The answer lay in the selection of the right lubricant to protect their two diesels and their profits. They chose Gargoyle DTE Oil No. 4.

After an amazing record run of 15 months on a continuous 24-hour-a-day basis, the two diesel engines were still going strong. One of the engines was opened and inspection revealed there were no stuck rings and no appreciable wear. Throughout this long operation the mill experienced no trouble at all.

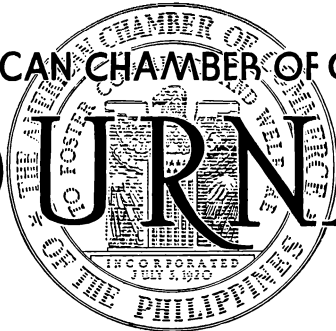
● *This actual case history points up how much you may profit by using Correct Lubrication, Standard-Vacuum's top-quality products and the world's greatest lubrication knowledge and engineering service. Start cutting your overhead—call in your Standard-Vacuum representative.*

STANDARD-VACUUM *Correct Lubrication*

FIRST STEP IN CUTTING COSTS

THE AMERICAN CHAMBER OF COMMERCE

JOURNAL



Editorials

"... to promote the general welfare"

The democratic world has reason to be well satisfied with the Manila Conference of 1954, the success of which comes as a ray of light in the gloom that has enraptured us since the recent Geneva Conference, at which Indo-China was lost, and the Brussels Conference, a little later, at which the European Defense Community was so badly hurt.

The calling of the Manila or SEATO (South East Asia Treaty Organization) Conference was a direct result of the Indo-China debacle and followed this almost immediately. Mutual security treaties, negotiated in 1951, already existed between the United States and the Philippines and between the United States and Australia and New Zealand, but a more inclusive agreement was necessary,—an understanding, by the way, which Philippine President Elpidio Quirino advocated as early as 1949.

Now this agreement, in the form of the South East Asia Collective Defense Treaty, signed on September 8, is in existence. It is true that only eight nations (Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom, and the United States), were represented at the Conference and signed the Treaty, but (Article VII) "any other State in a position to further the objectives of this Treaty and to contribute to the security of the area may, by unanimous agreement of the Parties, be invited to accede to this Treaty." With, perhaps, the exception of India, all the more immediately important nations in the area are among the signatories.

The "treaty area" is also limited,—to (Article VIII) "the general area of South East Asia, including also the entire territories of the Asian Parties, and the general area of the Southwest Pacific not including the Pacific area north of 21 degrees 30 minutes north latitude." The 21st parallel runs just north of the Bataan Islands, Philippines. However, (Article VIII) "the Parties may, by unanimous agreement, amend this article to include within the treaty area the territory of any State acceding to this Treaty in accordance with Article VII or otherwise to change the treaty area."

Article IV is the heart of the Treaty, and although the exact wording, though hardly the real sense, was a matter of some argument by the Parties, it does not lack strength.

Throughout the Conference, it was the general unanimity of the Parties rather than the differences between them, which stood out. The differences mainly concerned procedure rather than aim and determination.

According to Article IV, Paragraph 1, "each Party recognizes that aggression by means of armed attack in the treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. . ."

As for any type of threat "other than by armed attack" (Paragraph 2), or for "any fact or situation which might endanger the peace of the area", "the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense."

Article V establishes a Council, on which each of the Parties will be represented, which will consider matters concerning the implementation of the Treaty. "The Council shall provide for consultation with regard to military and any other planning as the situation obtaining in the treaty area may from time to time require."

The Philippines notably took the initiative in obtaining incorporation into the Treaty of a provision "reaffirming that, in accordance with the Charter of the United Nations, they [the Parties] uphold the principle of equal rights and self-determination of peoples, and declaring that they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities."

The Philippines first proposed that this provision, powerfully championed by President Ramon Magsaysay himself, be incorporated into the Treaty as a separate article, but it was finally agreed to place it in the Preamble. However, to give this important declaration still greater emphasis and force, it was separately proclaimed in a document, signed simultaneously with the Treaty, which has been named the "Pacific Charter."

The double reaffirmation of this most important principles,—in the Preamble of the Treaty and in the Charter, is not today a matter of supererogation. Everyone should un-

derstand that one of the main causes of the loss of French Indo-China to "Communist" China was the fact that the Red aggression was inextricably confused by the long-standing insurrectory movement there against the French "imperialism". This fact, and probably this fact alone, made it practically impossible for the United States to give France and the people of Indo-China the full aid they needed to save the country from being overrun by the tide of totalitarian enslavement.

The Philippines has played a worthy part not only as host to the Conference but in making a contribution of vital importance to what has been established.

Elsewhere in this issue of the *Journal* appears an article on various objections which have been raised against the Bell Act, with answers to the "Objections" to these objections prepared by the Chamber's Committee on Trade Act Revision. The article makes it plain that many of the objections have but little validity.

The Bell Act, of course, is not a perfect piece of legislation and no doubt certain of its provisions could be modified to the mutual advantage of the Philippines and the United States. An attempt at such revision is soon to be made, mainly on Philippine insistence, for the belief is now quite general that many of the difficulties in which the Philippines has found itself are due to various restrictions and alleged inequalities contained in the Bell Act and the Trade Agreement based on it.

It is unfortunate, especially at this time, that so much encouragement has been given to this belief by influential men who are in a position to know better. While no one would deny that the Bell Trade Act could be improved, there is no justification for holding it responsible for all the economic ills which have beset the country since independence.

The negotiations for revision are much more likely to be successful if a less critical attitude is taken, especially as to the intent of the American Government in the enactment of the Bell Act. The charge, for instance, that this intent was "to perpetuate a colonial economy" in the Philippines, is obviously false. The intent plainly was to assist the Philippines and to wean it gradually from too great a dependence on the American market.

As this is what the Philippines itself wants, it should be possible to "get together" on that basis.

Adherence, further, to the principle of reciprocity and mutual benefit, would also promise success.

The whole idea of "objections" to the Bell Act should be dropped in favor of the idea of "desirable modifications."

It is an interesting coincidence that one of the two searching questions asked by former Minister (and former Executive Secretary) Emilio Abello, in an address before the Manila Rotary Club on August 5, was answered in an editorial then written, but not yet published, which appeared in last month's issue of this *Journal*.

Mr. Abello, who was speaking on the subject of the proposed revision of the present Philippine-American trade relations on the basis of the Bell Act, stated that an obstacle in seeking this revision, is "the prevailing belief among American trade experts that the present set-up as provided for in the Bell Act is for the best interests of the Philippines". He said that there are "at least two important questions which Americans would ask". These are, according to him:

"1. Whether there is anything in the present Trade Act that would prevent the Philippines from opening new markets.

"2. Whether the Philippines, in working for continued preferences, would not be abandoning its previous goal of seeking economic independence from the United States through gradual diminution of trade preferences as provided for in the Bell Act."

The first question was answered in the *Journal* editorial referred to, which was entitled "The Philippine-American Trade Agreement—and the Development of New Markets".

The editorial began with the paragraph:

"There is a current misconception, — so obviously wrong that one hesitates to set about seriously to correct it, yet so general that correction seems necessary: the misconception that the Philippine-American Trade Agreement, concluded under the terms of the Bell Trade Act, prohibits or impedes trade with other countries than the United States and that, consequently, the Agreement must be revised, or even abrogated, before the Philippines will be free to seek, or will be able to develop, other markets".

The editorial refuted this misconception and, pointing out that the Philippines has in fact for years traded with other countries than the United States; that there is nothing compulsory about the trade with the United States; that the trade with the United States exists only because the Philippines gets the best prices for its product there and the lowest prices for what it has to import; and that the Philippines is entirely free to increase its trade with other countries and to adopt any tariff legislation it pleases with respect to the products imported from these countries. It concluded with the statement:

"It should be clear that the matter of developing new markets for Philippine products has little to do with any possible amendments to the Bell Trade Act or with revision of the Philippine-American Trade Agreement".

The editorial further stated that—

"it would be the height of folly to give up the tremendous advantages enjoyed by the Philippines in the great American market when other possible major markets must still be explored and, if and when found, developed".

That, we believe, may be taken as a fairly complete answer to Mr. Abello's first question. As to his second question, we should like to advance the following:

The Philippines, in working for "continued" preferences,—that is, preferences to be continued indefinitely, *would be* "abandoning its previous goal of seeking economic independence from the United States through gradual diminution of trade preferences as provided for in the Bell Act".

In entering into the present Trade Agreement with the United States, the Philippines accepted the gradual diminution and final ending of special trade preferences as a goal to be reached in 1974.

However, in seeking certain improvements in the terms of the Agreement which would not affect the principle of the gradual diminution and final ending of the special preferences, the Philippines would not be abandoning this goal.

And as for maintaining the preferences at present enjoyed for as long a period as the Bell Act allows, or as may otherwise be possible, that is only the course of reason, and false ideas as to "economic independence" should not be permitted to obstruct this wise course.

A few words may be interposed here on the subject of "economic independence". All nations are more or less dependent on each other for the products they must import. Complete economic "independence" or self-sufficiency,—autarky, is neither possible, nor would it be desirable. But with that understood, dependence on special preferences granted by a foreign government, is not desirable, although, as in the case of the Philippines, such preferences may temporarily be as desirable as they are necessary.

The Philippine-American Trade Agreement, concluded under the terms of the Bell Trade Act, provides both for such preferences and for their gradual diminution and ending, and what other solution is there, in principle, to the problem of how an extreme Philippine dependence on special preferences in the American market is to be ultimately ended? Clearly, there is no other solution.

Nevertheless, it may well be possible by securing certain postponements or certain changes in the gradual-



ANY WAY

YOU LOOK
AT IT...



ELECTRIC SERVICE

is

CHEAP!

One commodity that costs less than it did
prior to the last war.

Compare its cost with that of other necessities of
life: food, clothing, shoes, medicines, rent . . . Can
you think of anything that is as big a bargain as
Electric Service?



MANILA ELECTRIC COMPANY

134 San Marcelino

Telephone 3-24-21

of the application of fractional tariffs to prolong the period of relatively free trade between the Philippines and the United States, and that, from our point of view, would be most desirable and advantageous regardless of any dogmatic notions with respect to "economic independence".

In connection with the desired further industrialization of the Philippines, those who warn against too indiscriminating a policy in this regard are sometimes accused of desiring "Perpetuating a Colonial Economy" to "perpetuate a colonial economy."

If the expression, "colonial economy", is correctly used, it means that type of economy which arose during what may be called the colonial period of world history in those undeveloped areas over which various industrially more advanced nations extended their sovereignty. Such an economy is based on the trade which develops between them in which mainly the raw products of the colony are exchanged for the manufactured goods of the mother country. At the beginning this is an entirely natural and wholesome development of mutual benefit to both the mother country and the colony. However, the expression, "colonial economy", also denotes something more and that is the type of economy, as already described, the continuation of which has been unwarrantedly prolonged through political means,—monopolies, prohibitory tariffs, etc., calculated to deliberately prevent or retard further natural economic development toward greater self-sufficiency on the part of the colony in the supposed interest of the sovereign country. This, of course, is plain exploitation and an unmixed evil.

What we should like to say here is that there can be no true talk of "perpetuating a colonial economy" in the Philippines because the economy of the country has long since ceased to be one typical of a colony in any sense. During the period of American sovereignty, the United States never made the slightest effort to exploit the country economically: On the contrary, the Philippines was given the freedom of the United States market and trade with other countries was not prohibited; no monopolies were established.

Industrialization proceeded naturally and fairly rapidly almost from the beginning as capital formation made this possible and profitable. That industrialization did not proceed more rapidly was practically wholly due to the fact that there was no greater capital formation and because the national production and the national per capita income did not increase as rapidly as it might have, had the proper measures been taken to attract rather than to discourage a greater investment of outside capital. The Japanese occupation was also a serious set-back, spelling not only loss and destruction, but complete stoppage of the economic momentum of the country.

It is true that Philippine trade still consists largely in the export of what loosely may be called raw materials and the import of manufactured goods, but of the twenty most important Philippine exports, only copra, abaca, and logs and lumber are "in, or nearly in, the natural state". Most of the other exports involve manufacturing or processing operations, as in sugar, base metals and concentrates, coconut oil, desiccated coconut, canned pineapples, embroideries, tobacco and manufactures, copra meal and cake, gold and concentrates, molasses, rope, chemicals, cotton and manufactures, shells and manufactures, beverages, wines, and liquors, and rattan and manufactures.

It is an interesting fact that as late as the opening of the present century, no less than one-third of the United States exports consisted of crude materials (such as cotton, leaf tobacco, and lumber), and another third of foodstuffs (such as grain, meat, and lard). The other third of the United States exports were manufactures; only one-fourth

of the total exports consisted of such finished manufactures as textiles, machinery, iron and steel, transportation equipment, copper, petroleum products, etc.*

As for United States imports at the turn of the century, one-third consisted of crude materials (such as rubber, hides and skins, silk, wool, leaf tobacco, fibres, long staple cotton), and one-fourth of the imports consisted of foodstuffs; something over 40% of United States imports consisted of manufactures.

Last year the crude material exports from the United States amounted to only around 10% of the total exports and foodstuffs amounted to another 11%. Manufactures had increased to around 80% (machinery, transportation equipment, automotive products, iron and steel, various metal manufactures, textiles, chemicals, petroleum products); however, about one-third of these manufactures exported in 1953 were Mutual Security Program items and therefore not commercial exports.

As for the imports into the United States last year, one-fourth consisted of crude materials, around 30% of foodstuffs, and, strangely enough, around 45% in manufactured goods.

It will be seen that even as late as the early 1900's, the bulk of the exports of the United States, which had then been an independent nation for well over one hundred years, consisted of crude materials and foodstuffs. It will also be seen that even last year, the United States imported proportionately more manufactured goods than it did in 1900.

This should show that proportionally large raw material exports and large imports of manufactured goods are not only characteristic of a colonial economy, but may also mark the trade of more advanced and very prosperous countries.

The May issue of this *Journal* contained an editorial entitled "The Bomb and World Government",

in which it was suggested that "with the development of the Hydrogen Bomb, an instrument of wholly unprecedented dimensions of destructiveness, the question arises whether this does not afford the first opportunity in history for the establishment of a world government able to enforce its laws." The editorial proposed that—

"The Government of the United States, so authorized by its people, turn over to the United Nations, as the existing nucleus for a world government, all its atomic weapons and the means for producing them, on condition that that organization, with the consent and support of the majority of mankind, will assert, obtain, and maintain a world monopoly in these weapons, at the same time ordering all aggression and subversion everywhere to cease, while being, from the beginning, instantly ready if necessary resolutely to employ to this end the required minimum of the overwhelming force which will have been placed at its command."

It was gratifying to note that the July 22 issue of the weekly *Listener*, published by the British Broadcasting Corporation, printed the text of a radio address delivered shortly before by Bertrand Russell, in which this famous philosopher made very much the same proposal.

Lord Russell advocated a world government which would have a "monopoly of armed force, except for such minor weapons as might be necessary for police action," but emphasized that "in all other respects, the independence of national states should be unimpaired." However,—

"in the event of a dispute between national states or between federations, the international government should automatically take cognizance of the dispute and should pronounce a decision by arbitration. If either party resisted the decision, the international government should impose its authority by whatever show of force might be necessary."

Although Lord Russell stated that he does not "venture to prophesy that a world government such as I have been

*From an article by Prof. Roland L. Kramer (University of Pennsylvania) in the July, 1954, *Commercial America*.

Comment on Various Objections to the Bell Act

BY THE COMMITTEE ON TRADE ACT REVISION
American Chamber of Commerce of the Philippines

WITH respect to the various objections that have during recent years been raised in the Philippines against the Bell Trade Act and the Philippine-American Trade Agreement based on the Act, the following comment is offered:

TRADE PROVISIONS

1. *Some provisions of the Trade Agreement are one-sided; the Agreement does not provide full reciprocity.*

This objection is raised largely on the assumption that an agreement can not be a good one unless it provides for formal reciprocity. The objection applies rather to the wording of certain provisions than to the manner in which they operate in actual practice. In the latter respect the trade provisions in the Agreement have been preferential to the Philippines. The provisions which have been called one-sided are mainly precautionary ones of which little or no use has been made. On the other hand, various economic control measures which have been adopted in the Philippines and the exchange tax on dollar remittances are non-reciprocal and operate to the disadvantage of American business.

2. *Philippine exports are restricted by quotas but imports from the United States are not; this is disadvantageous to the Philippines.*

In practice, these quotas have been used by the United States not to restrict imports from the Philippines but to create a market for Philippine products by limiting imports from other countries. Philippine exports are, furthermore, not limited to the quotas but may be shipped in excess of them on a competitive basis. Up to the present time, the Philippines has not been able to fill any quota except that of cordage, and that only in 1951. As to sugar, Cuban sugar, of which there is an ample supply for all United States requirements, is produced at a much lower cost than is Philippine sugar, and the latter would probably have no market in the United States if it were not for the quota provided in the Trade Agreement which reserves a large part of the United States market for the Philippines. With respect to coconut oil, the Philippines has not yet come even close to the quota; the Agreement furthermore binds the United States to a 2 cents a pound preference on coconut oil pressed from Philippine copra, this preference, for which the Philippines grants no like concession, giving it a virtual monopoly of the United States copra market.

It is true that the Agreement does not include any limitations on United States imports into the Philippines, but the Philippines has introduced an equivalent through import control and exchange regulations. The United States Government is not, in practice, restricting Philippine imports into the United States, but the Philippine Government is very positively restricting imports from the United States.

3. *The agreement allows the United States to establish quotas on other Philippine products if they should offer substantial competition to like articles produced in the United States; no similar authority has been extended to the Philippines.*

In view of the divergent nature of the economies and of the products of the two countries, and in view of the

United States quotas which the Philippines has been unable to fill, it is most unlikely that such authority, if it did exist, would ever be used. This objection is therefore of little practical significance.

4. *The United States rather than the Philippines has the right to allocate quotas; the result, and the intent, was to favor foreign business in the Philippines to the prejudice of Philippine business.*

Analysis of the actual allocation of quotas shows that in fact there has been no prejudice to Philippine business.

5. *The Philippine proposal for "selective free trade" has been rejected by the U. S. State Department without exploration.*

The General Agreement on Tariffs and Trade (GATT), to which the United States is a signatory, permits the completion of existing preferential trade agreements, such as that with the Philippines, but prohibits the United States from entering into any agreement which would cover such new preferences as are envisaged in "selective free trade".

ADVERSE EFFECTS ON THE PHILIPPINE ECONOMY

1. *The Government needs the revenue that could be obtained from customs duties on United States products.*

Tariffs are imposed both for raising revenue and for protecting home industry, but to the extent they protect home industry, they raise no revenue. Internal taxes such as a luxury tax and excise taxes on imported goods can be utilized just as effectively as tariffs, both for revenue purposes and to protect home industry. This objection, therefore, is also of little practical significance.

2. *Free entry of United States goods cost the Philippines ₱340,000,000 a year in lost revenues from 1949 to 1953.*

The figure is open to question as it is unlikely that the same quantities of goods would have been imported if they had been subject to duty. In any case, both tariffs and internal taxes are ultimately paid by the consumers in the form of higher prices than they would otherwise pay, and there was therefore no actual "loss" to the Philippines. On the other hand, the Philippine Government has been collecting an average of ₱120,000,000 a year through the exchange tax which, from the point of view of reciprocity, is a type of tax not applied to Philippine imports into the United States.

3. *It is desirable to trade with other foreign countries; the duty-free status of United States products makes it difficult for other countries to compete with United States products in the Philippines.*

Actually, most European products cost less in the Philippines than United States products even after payment of customs duties. The competitive advantage of the United States products lies chiefly in their quality and better adaptation to consumer taste,—the brand-preference among the Filipino consumers.

4. *The Agreement has been a deterrent to Philippine industrialization.*

The Agreement has probably discouraged certain investments, but only such as would actually have been

contemplating will in fact be created," he came to the same conclusion as did the writer of the *Journal* editorial. "What I do say, and what I wish to say with all possible emphasis, is that the creation of such a government is the only long-

run alternative to the extinction of the human race. It may be that men's anarchic passions are so strong as to lead them to prefer extinction to international control. I hope not, but I can not feel wholly confident. . ."

economic. There are other and better ways of encouraging industrialization than by tariff measures.

5. *Industrialization of the Philippines is essential to its economic well being.*

Further industrialization of the Philippines would be advantageous, but it should be recognized that certain basic raw materials are scarce and industrialization is therefore largely limited to industries fabricating goods for home consumption. It should be better understood, too, that while other Asian countries are under economic pressure for industrialization because of overpopulation, the great advantage of the Philippines lies in the fact that it is the only underpopulated country in the East and still has vast areas of unused land open to development. Economic prosperity for the Philippines lies in the direction rather of utilizing its natural agricultural resources than in attempting to establish industries competitive with other countries which must industrialize to survive.

6. *Concentration on the production of raw export materials (primarily agricultural and forest products) has impeded the production of processed goods for the home market.*

Concentration on the production of exports products has not impeded industrialization, and, on the contrary, has actually encouraged the local processing of a good part of these products,—such as refined sugar, coconut oil, cordage, and their further local elaboration. Lacking the more basic raw products as well as machinery, etc., the Philippines must in fact export to obtain the exchange needed for what industrialization is advantageous. Concentration on the production of exports is therefore essential to industrial development itself.

PARITY PROVISION

1. *Parity is repugnant to political independence and was forced upon the Philippines by making war damage payments contingent upon acceptance of the Bell Trade Act as the basis for the Trade Agreement.*

It is unfortunate, psychologically, that the Parity provision was linked with war damage payments, though only with respect to the larger payments; Parity, however, was practically necessary as the War Damage Act required the re-investment of these payments for the rehabilitation and reconstruction of the country. Parity has also had

the intended effect of encouraging much needed additional investment. Even if there had been no legal linkage, the Filipino people would undoubtedly have favored a free grant of the right for these reasons and in recognition of the special relations that exist between the American and Philippine peoples. Parity, it may further be noted, tends to provide some "reciprocity" for the great privileges generally enjoyed by Filipinos in the United States.

2. *This is the first instance in history where a nation has granted to the citizens of another rights equal to those enjoyed by its own citizens.*

It is not a fact that Americans enjoy all the rights of Philippine citizens even under "Parity". In practice, parity has meant only that American mining, lumber, and public utility firms could continue in business, and this has certainly not been disadvantageous to the Philippines. There is much legislation, enacted during the past few years, which disadvantageously affects the interests of Americans as well as other aliens, including the Flag Law.

Philippine citizens in the United States enjoy many privileges, and the history of the United States treatment of foreign capital and United States domestic law give assurance to all Philippine investments of fair treatment in the United States.

CURRENCY PROVISIONS

1. *The Agreement restricts the sovereign right of the Philippines to control its own currency, thus prohibiting the Philippines from taking such measures as may be necessary to protect its economy.*

The provisions referred to have not in practice restrained the Philippines from taking any measures which it has seen fit to take, such as establishing exchange control and imposing an exchange tax even though an exchange tax of 17% is in violation of the International Monetary Fund regulations. On the other hand, the relationship maintained between the peso and the dollar has had a very advantageous effect in stabilizing the value of the peso.

CONCLUSION

It will appear that the various objections raised against the Trade Agreement are not so much economic in their nature as they are political and emotional, and based, at least in part, on a misunderstanding of the intention, meaning, and practical effects of the provisions objected to.

Philippine Trade Proposals as Prematurely Revealed

THE *Sunday Times* (Manila) of August 29, under the head-line "PI STAND ON BELL ACT BARED", published an article reviewing and quoting from a 26-page report to President Magsaysay of the technical panel of the Philippine Trade Revision Mission to the United States. The next day, Senator Gil J. Puyat, Chairman of the panel, denounced this premature disclosure by an unnamed congressional source, stating that it had weakened the Philippine position.

The twelve concrete proposals contained in the report were the following:

"(1) Free entry into the United States of sugar, coconut oil, cordage, desiccated coconut, cigars, leaf tobacco, pearl buttons, embroidery, in quantities specified in the Philippine Trade Act of 1946, until January, 1947; canned pineapple and other goods for future export to the United States to be borne in mind by the Mission.

"(2) Entry into the United States of all other Philippine exports on the same basis as those permitted to other countries under the most-favored-nation treatment.

"(3) Free entry into the Philippines of essential food and essential producer goods from the United States per list to be submitted; all other United States exports to be subject to duty.

"(4) In the course of negotiations, an opportunity may present itself for the Philippine Mission to request, if a quota on sugar is to be maintained, that it be based on the present consumption of sugar in the United States. The panel is informed that the present Philippine quota of 852,000 long tons was originally determined on the basis of 15.41% of the annual consumption in the United States of 5,500,000 long tons. On the basis of present consumption of sugar in that country of 8,200,000 long tons, the Philippine quota should now be 1,148,730 long tons.

"(5) The Philippine Mission should explore the possibility of retaining quotas on Philippine exports to the United States after 1974, even without any other preferences.

"(6) Presidents of both countries to have the right to impose quotas on any product of each country if found that such product were coming or likely to come into substantial competition with similar product of the other country.

"(7) Elimination of the power of the United States Government

(Continued on page 363)

Synoptic List of Government-Owned and Controlled Corporations and Business Agencies*

In Chronological Order

Pre-Commonwealth Period

- Agricultural Bank of the Philippine Islands (established, 1908; merged with Philippine National Bank, 1916)
- Philippine National Bank (established, 1916)
- Manila Railroad Company (began operation, Manila-Dagupan, 1897; acquired by Government, 1917)
- National Coal Company (established, 1917; mining area acquired by National Development Company, 1938; became unit (Malangas Coal Mines) of NDC, 1940; leased to Cebu Portland Cement Company, 1951)
- Metropolitan Water District (inaugurated, San Juan Deposito, 1882; acquired by Government, 1919)
- National Development Company (organized as semi-government corporation, 1919; converted into government corporation, 1936)
- National Iron Company (established, 1919; converted into private entity, Oriental Iron Co., Inc., 1937)
- National Exchange Co., Inc. (established, 1920, as a subsidiary of the Philippine National Bank; superseded by Philippine Exchange Co., Inc., PNB, 1940)
- Sabani Estate (acquired by Government, NDC, 1920)
- Manila Hotel Company (organized, 1908; began operation, 1912; acquired by Government, MRR, 1923; leased to private operator, 1954)
- Cebu Portland Cement Company (began operation, 1922; acquired by Government, NDC, 1934)
- Fiber Standardization Board (established, 1926; organized the Philippine Fiber Inspection Service; Board abolished and Service transferred to Department of Agriculture and Natural Resources, 1932; Service reorganized, 1945)
- National Charity Sweepstakes Office (organized, 1932; superseded by Philippine Charity Sweepstakes, 1934)

Commonwealth Period

- Domestic Sugar Administration (established as a unit in the Office of the President, 1936; superseded by the Philippine Sugar Administration, 1937; by Sugar Quota Office, 1947; and by Sugar Quota Administration, 1951)
- National Power Corporation (established, 1936; organized, 1937)
- Government Service Insurance System (established, 1936; liquidated, 1941; reactivated, 1945)
- National Products Exchange (established, 1936; operated by Bureau of Commerce, 1937; dissolved, 1947)
- National Rice and Corn Corporation, NARIC (established as NDC subsidiary, 1936; reactivated, 1945; made independent government corporation, 1947; merged with PRISCO, 1950; reactivated as independent government corporation, 1951)
- Philippine Sugar Administration (established, 1937, superseding the Domestic Sugar Administration; reorganized, 1945; superseded by Sugar Quota Office, 1947; superseded by Sugar Quota Administration, 1951)
- National Food Products Corporation (established as NDC subsidiary, 1937; abolished, 1950)
- Textile Mills (established as NDC department, 1937; began operation, 1939)
- National Abaca and Other Fibers Corporation (established, 1938; abolished, 1950)
- National Warehousing Corporation (established as NDC subsidiary, 1938; converted into NDC department, 1947)
- Insular Sugar Refining Corporation (established, 1929; acquired by Government, NDC, 1938; assets sold to Philippine Sugar Institute, 1951)
- People's Homesite Corporation (established as NDC subsidiary, 1938; merged with People's Homesite and Housing Corporation, 1947)
- National Housing Commission (created 1941; not organized until 1945; name changed to People's Homesite and Housing Corporation, 1947)
- Agricultural and Industrial Bank (established, 1939; absorbed by Rehabilitation Finance Corporation, 1946)
- National Land Settlement Administration (established, 1939; reorganized, 1945; merged with Land Settlement and Development Corporation, 1950)
- Rural Progress Administration (established, 1939; abolished and functions transferred to Bureau of Lands, 1950)
- Philippine Exchange Co., Inc. (established, 1940, as a subsidiary of the Philippine National Bank and superseding the National Exchange Co., Inc.)
- National Coconut Corporation (established, 1940; abolished, 1950; revived as Philippine Coconut Administration, 1954)

- National Tobacco Corporation (established, 1940; reorganized, 1945; abolished, 1950; revived as Philippine Tobacco Administration, 1954)
- National Trading Corporation (established, 1940; reorganized, 1945; abolished, 1950)
- National Footwear Corporation (established, as NDC subsidiary, 1940; abolished, 1949)
- National Park Office (established, 1940; reconstituted, 1945, as the Planning Office; name changed to National Urban Planning Commission, 1946; merged with Capital City Planning Commission into National Planning Commission, 1950)
- National Cooperatives Administration (organized under National Trading Corporation, 1940; made a separate entity, 1941; reactivated, 1945; merged with National Cooperatives and Small Business Corporation, 1947; abolished and functions transferred to Cooperatives Administration Office under Department of Commerce and Industry, 1950)
- Emergency Control Administration (a wartime organization established in December, 1941; replaced by Philippine Relief and Rehabilitation Administration, 1945)

Post-Liberation Commonwealth Period

- Office of Civilian Relief and Supply Distribution (established, 1945, as a department of the Emergency Control Administration to take the distribution functions of ECAL, the Philippine Civil Affairs Unit of the liberating United States Army; superseded later in the year by the Philippine Relief and Rehabilitation Administration)
- Metropolitan Transportation Service (established under the Department of Public Works and Communications, 1945; transferred to the Manila Railroad, 1947)
- Petroleum Products Control Administration (established under the Department of Public Works and Communications, April, 1945; abolished, June, 1946)
- Agricultural Machinery and Equipment Corporation (established, 1946; became an NDC department, 1948; merged with Land Settlement and Development Corporation, 1950)
- Philippine Relief and Rehabilitation Administration, PRRA (established, 1945, absorbing the Emergency Control Administration; absorbed by PRA-TRA, 1947)
- Government Procurement Commission (established, 1946; transferred into the Surplus Property Commission, 1946; the latter abolished, 1950)

Period of the Republic

- Surplus Property Commission (established, 1946, absorbing the Government Procurement Commission; abolished, 1950)
- Rehabilitation Finance Corporation, RFC (established, 1946, replacing the Agricultural and Industrial Bank)
- Shipping Commission, later the Shipping Administration (established, 1946; abolished and assets transferred to RFC, 1950)
- Rice and Corn Production Commission (established, 1946; replaced by the Rice and Corn Production Administration, NDC, 1949; merged with Land Settlement and Development Corporation, 1950)
- National Urban Planning Commission (established, 1946, superseding the Planning Office; merged with Capital City Planning Commission into National Planning Commission, 1950)
- Sawmill Project (established as NDC unit, 1946; transferred to Bureau of Prisons, 1949)
- Institute of Science (established, 1947, superseding the Bureau of Science, established, 1917, which superseded the Bureau of Government Laboratories, established, 1901)
- Philippine Relief and Trade Rehabilitation Administration, PRA-TRA (established, 1947, replacing the dissolved PRRA, the dissolved National Trading Corporation, and the reorganized National Cooperatives Administration; itself replaced by PRISCO, 1950)
- Sugar Quota Office (established, 1947, superseding the pre-war Philippine Sugar Administration; superseded by the Sugar Quota Administration, 1951)
- National Cooperatives and Small Business Corporation (established, 1947; abolished and functions transferred to the Cooperatives Administration Office under Department of Commerce and Industry, 1950; functions transferred to the Agricultural and Cooperative Financing Administration, 1952)
- People's Homesite and Housing Corporation (established, 1947, by changing name of National Housing Commission, a public corporation, and merging with People's Homesite Corporation, a government-owned private corporation)

*Revised. First published in the *Journal* for November, 1952.

(Continued on page 339)

The Pacific Charter

THE Delegates of Australia, France, New Zealand, Pakistan, the Philippines, Thailand, the United Kingdom, and the United States,

DESIRING to establish a firm basis for common action to maintain peace and security in South East Asia and the South West Pacific,

CONVINCED that common action to this end, in order to be worthy and effective, must be inspired by the highest principles of justice and liberty,

DO HEREBY PROCLAIM:

First, in accordance with the provisions of the United Nations Charter, they uphold the principle of equal rights and self-determination of peoples, and they will earnestly strive by every peaceful means

to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities.

Second, they are each prepared to continue taking effective practical measures to ensure conditions favorable to the orderly achievement of the foregoing purposes in accordance with their constitutional procedures.

Third, they will continue to cooperate in the economic, social, and cultural fields in order to promote higher living standards, economic progress, and social well-being in this region.

Fourth, as declared in the South East Asia Collective Defense Treaty, they are determined to prevent or counter by appropriate means any attempt in the Treaty area to subvert their freedom or to destroy their sovereignty or territorial integrity.

The South East Asia Collective Defense Treaty

THE Parties to this Treaty,

Recognizing the sovereign equality of all the Parties,

Reiterating their faith in the purposes and principles set forth in the Charter of the United Nations and their desire to live in peace with all peoples and all governments,

Reaffirming that, in accordance with the Charter of the United Nations, they uphold the principle of equal rights and self-determination of peoples, and declaring that they will earnestly strive by every peaceful means to promote self-government and to secure the independence of all countries whose peoples desire it and are able to undertake its responsibilities,

Intending to declare publicly and formally their sense of unity, so that any potential aggressor will appreciate that the Parties stand together in the area, and

Desiring further to coordinate their efforts for collective defense for the preservation of peace and security,

Therefore agree as follows:

ARTICLE I

The Parties undertake, as set forth in the Charter of the United Nations, to settle any international disputes in which they may be involved by peaceful means in such a manner that international peace and security and justice are not endangered, and to refrain in their international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations.

ARTICLE II

In order more effectively to achieve the objectives of this Treaty, the Parties, separately and jointly, by means of continuous and effective self-help and mutual aid, will maintain and develop their individual and collective capacity to resist armed attack and to prevent and counter subversive activities directed from without against their territorial integrity and political stability.

ARTICLE III

The Parties undertake to strengthen their free institutions and to cooperate with one another in the further development of economic measures, including technical assistance, designed both to promote economic progress and social well-being, and to further the individual and collective efforts of governments toward these ends.

ARTICLE IV

1. Each Party recognizes that aggression by means of armed attack in the treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.

2. If, in the opinion of any of the Parties, the inviolability or the integrity of the territory or the sovereignty or political independence of any Party in the treaty area or of any other State or territory to which the provisions of paragraph 1 of this Article from time to time apply is threatened in any way other than by armed attack or is affected or threatened by any fact or situation which might endanger the peace of the area, the Parties shall consult immediately in order to agree on the measures which should be taken for the common defense.

3. It is understood that no action on the territory of any State designated by unanimous agreement under paragraph 1 of this Article or on any territory so designated shall be taken except at the invitation or with the consent of the Government concerned.

ARTICLE V

The Parties hereby establish a Council, on which each of them shall be represented, to consider matters concerning the implementation of this Treaty. The Council shall provide for consultation with regard to military and any other planning as the situation obtaining in the treaty area may from time to time require. The Council shall be so organized as to be able to meet at any time.

ARTICLE VI

This Treaty does not affect and shall not be interpreted as affecting in any way the rights and obligations of any of the Parties under the Charter of the United Nations or the responsibility of the United Nations for the maintenance of international peace and security. Each Party declares that none of the international engagements now in force between it and any other of the Parties or any third party is in conflict with the provisions of this Treaty, and undertakes not to enter into any international engagement in conflict with this Treaty.

ARTICLE VII

Any other State in a position to further the objectives of this Treaty and to contribute to the security of the area may, by unanimous agreement of the Parties, be invited to accede to this Treaty. Any State so invited may become a Party to the Treaty by depositing its instrument of accession with the Government of the Republic of the Philippines. The Government of the Republic of the Philippines shall inform each of the Parties of the deposit of each such instrument of accession.

ARTICLE VIII

As used in this Treaty, the "treaty area" is the general area of Southeast Asia, including also the entire territories of the Asian Parties, and the general area of the Southwest Pacific not including the Pacific area north of 21 degrees 30 minutes north latitude. The Parties may, by unanimous agreement, amend this Article to include within the treaty area the territory of any State according to this Treaty in accordance with Article VII or otherwise to change the treaty area.

ARTICLE IX

1. This Treaty shall be deposited in the archives of the Government of the Republic of the Philippines. Duly certified copies thereof shall be transmitted by that Government to the other signatories.

2. The Treaty shall be ratified and its provisions carried out by the Parties in accordance with their respective constitutional processes. The instruments of ratification shall be deposited as soon as possible with the Government of the Republic of the Philippines, which shall notify all of the other signatories of such deposit.

3. The Treaty shall enter into force between the States which have ratified it as soon as the instruments of ratification of a majority of the signatories shall have been deposited, and shall come into effect with respect to each other State on the date of the deposit of its instrument of ratification.

ARTICLE X

This Treaty shall remain in force indefinitely, but any Party may cease to be a Party one year after its notice of denunciation has been given to the Government of the Republic of the Philippines, which shall inform the Governments of the other Parties of the deposit of each notice of denunciation.

The English text of this Treaty is binding on the Parties, but when the Parties have agreed to the French text thereof and have so notified the Government of the Philippines, the French text shall be equally authentic and binding on the Parties.

Understanding of the United States of America

The Delegation of the United States of America in signing the present Treaty does so with the understanding that its recognition of the effect of aggression and armed attack and its agreement with reference thereto in Article IV, paragraph 1, apply only to Communist aggression, but affirms that in the event of other aggression or armed attack it will consult under the provisions of Article IV, paragraph 2.

In witness whereof, the undersigned Plenipotentiaries have signed this Treaty.

Done at Manila, this eighth day of September, 1954.

Protocol to the South East Asia Collective Defense Treaty Designation of States and Territory as to which provisions of Article IV and Article III are to be applicable

The Parties to the South East Asia Collective Defense Treaty unanimously designate for the purposes of Articles IV of the Treaty the States of Cambodia and Laos and the free territory under the jurisdiction of the State of Vietnam.

The Parties further agree that the above-mentioned States and territory shall be eligible in respect of the economic measures contemplated by Article III.

This Protocol shall come into force simultaneously with the coming into force of the Treaty.

In witness whereof, the undersigned Plenipotentiaries have signed this Protocol to the South East Asia Collective Defense Treaty.

Done at Manila, this eighth day of September, 1954.

Letter of Secretary of State Dulles on the Defense of the Philippines under the Mutual Defence Treaty of 1951

No. 0284

American Embassy
Manila, September 7, 1954

EXCELLENCY:

I have the honor to refer to the meeting of the Council of Ministers under the Mutual Defense Treaty between the Philippines and the United States which was held in Manila on September 4, 1954. In response to your words of welcome, I gave expression to the intimacy of our relationship and to the practical consequences which derive therefrom. Under our Mutual Defense Treaty and related actions, there have resulted air and naval dispositions of the United States in the Philippines, such that an armed attack on the Philippines could not but be also an attack upon the military forces of the United States. As between our nations, it is no legal fiction to say that an attack on one is an attack on both. It is a reality that an attack on the Philippines is an attack also on the United States. In the light of those facts, I made the following statements which I am glad to quote:

"I wish to state in the most emphatic terms that the United States will honor fully its commitments under the Mutual Defense Treaty. If the Philippines were attacked, the United States would act immediately. We expect the Philippines to contribute to its own security to the extent of its capabilities. To that would be added United States air, naval, and logistical support. The United States will take all practicable measures to maintain the security of the Philippines against external attack. The United States intends to maintain and use its air and naval bases in the Philippines. These provide concrete evidence of United States ability and intention to take necessary counter-

measures. The United States emphasizes the fact that in the event of war, its power to take the offensive against points of its own choosing will, in conjunction with the efforts of the Philippine forces, provide a major contribution to the security of the Philippines.

"The President of the United States has ordered the Seventh Fleet to protect Formosa from invasion by Communist aggressors. In the case of the Philippines, no specific orders are required; our forces would automatically react."

The foregoing statements were not made lightly. They were made soberly in the light of the fact that our two countries have deliberately chosen to work together with such intimacy and with such integration of our effort that an aggressor could not, if he wished, disentangle us and attack the Philippines without attacking also the United States with all the consequences that this would imply.

I feel, Excellency, that the Conference we have concluded has been most fruitful and in the best tradition of the relationship between your country and mine. The way is now clear for us to proceed with our utmost energy to the difficult tasks which lie ahead.

Accept, Excellency, the renewed assurances of my highest consideration.

(Sgd.) JOHN FOSTER DULLES

His Excellency
Carlos P. Garcia
Secretary of Foreign Affairs for the Republic of the Philippines.

Government Corporations . . .

(Continued from page 337)

Capital City Planning Commission (established, 1948; merged with National Urban Planning Commission into National Planning Commission, 1950)

Pulp and Paper Mill (established as NDC unit, 1948; transferred to Cebu Portland Cement Company, 1950)

Nail Plant (established as NDC unit, 1948; sold to Marcelo Steel Corporation, 1949)

National Airports Corporation (established, 1948; merged with Civil Aeronautics Administration, Department of Commerce and Industry, 1950)

Rice and Corn Production Administration (established as NDC unit, 1949, replacing Rice and Corn Production Commission; transferred to Land Settlement and Development Corporation, 1950)

Central Bank of the Philippines (established, 1949)

Import Control Board (established, 1949, under Department of Commerce and Industry; superseded by Import Control Administration under a new Board, 1950; licensing functions transferred to PRISCO, 1951; superseded by Import Control Commission, 1951)

National Shipyards and Graving Dock (established as NDC unit, 1949; later became the National Shipyards and Heavy Industries Department of NDC; dissolved and merged with the National Shipyards and Steel Corporation, 1950)

Philippine Council for United States Aid (established, 1950, in cooperation with the U.S. Economic Cooperation Administration, later the U.S. Mutual Security Agency, since August, 1953, the U. S. Foreign Operations Administration)

National Planning Commission (established, 1950, merging National Urban Planning Commission and Capital City Planning Commission)

Price Stabilization Corporation, PRISCO (established, 1950, replacing PRATRA and absorbing the National Rice and Corn Corporation; NARIC reactivated as an independent government corporation, 1951)

National Shipyards and Steel Corporation (established, 1950, merging the following NDC units: National Shipyards and Heavy Industries, Engineer Island Shops, Steel Mill, and Reparatons Tools)

Land Settlement and Development Corporation, LASEDECO (established, 1950, by merger of the National Land Settlement Administration, the Rice and Corn Production Administration, NDC, and the Machinery and Equipment Department, NDC, as an independent government corporation; abolished and replaced by the National Resettlement and Rehabilitation Administration, NARRA, in 1954)

Philippine Air Lines, Inc., PAL (established, 1941, replacing the Philippine Aerial Taxi Company, originally organized in 1932; reorganized, 1946; Government, through NDC, acquired majority control, 1950)

Inter-Departmental Committee on Exports (established, 1950; superseded by the Export Control Committee under the Department of Agriculture and Natural Resources, 1951)

Import Control Administration (established, 1950, superseding Import Control Board; licensing functions transferred to PRISCO, 1951; superseded by Import Control Commission, 1951)

Institute of Science and Technology (established, 1951, superseding the Institute of Science)

(Continued on next page)

The Business View

A monthly review of facts, trends, forecasts, by Manila businessmen

The Government

From Official Sources

AUGUST 1—President Ramon Magsaysay sends flowers to the tomb of the late President Manuel L. Quezon in the Cementerio del Norte and orders the mounting of a presidential guard there in commemoration of the tenth anniversary of his death at Saranac Lake, New York, August 1, 1944. The only surviving members of the family are his son, Manuel Quezon, Jr., and his daughter Mrs. Nini Quezon-Avancafia.

Aug. 2—The President creates a committee to take charge of the observance of Philippine-American Day on August 13, 1954, composed of the Presidents of the Chamber of Commerce of the Philippines and the American Chamber of Commerce as co-chairmen, the President of the Philippine Association, the President of the Philippine Association of Colleges and Universities, the President of the USAFEE Veterans, the President of the American Association of the Philippines, the Commander of the Philippine Department, American Legion, and the President of the American Historical Association (the Chairman of the Historical Committee of the American Association of the Philippines is meant), as members, and the President of the Philippine Tourist and Travel Association as coordinator.

The President presides over a conference with the Highway Programming and Planning Board, Secretary of Public Works Vicente Orosa, Chairman, and being informed that specifications for 10 initial bridge and road projects, costing some ₱20,000,000, have been prepared and are ready for bidding, instructs the Board to proceed immediately. Col. Harry A. Brenn, FOA head in the Philippines, who is a member of the Board, states that 70 medium and 70 heavy motor graders, approved under the 1954 fiscal year FOA program, have already begun to arrive and that 20 tractor shovels, 120 dump trucks, 50 pick-up trucks, and 40 tractor loaders are among the \$2,615,000 worth of highway construction equipment approved for purchase this year; additional equipment for Mindanao roads, worth \$103,000, steel for bridges, worth \$800,000, and training equipment for engineers and mechanics, worth \$30,000, are also budgeted for by the FOA.

The President receives a delegation from Sulu composed of Governor Leon Fernandez, Representative Ombra Amibangsa, and others who request the release of the province's pre-war deposits in the Philippine National Bank for public works construction.

Aug. 3—Malacañang announces that the Prime Minister Mohammed Ali of Pakistan and Prime Minister Dr. John Kotelawala of

Ceylon have accepted invitations to visit the Philippines, the former on his return from Indonesia, which he plans to visit in November, and the latter on his return from the United States which he will visit in December.

The President pins a third star on Maj. Gen. Jesus Vargas who thus becomes the first Filipino to hold the rank of lieutenant general. He also inducts Sixto de la Costa, legal counsel of the Rehabilitation Finance Corporation, as member of the Board of Governors of the same Corporation, replacing Ludovico Hidrosello, resigned, and also Jesus A. Avancafia as RFC legal counsel, replacing De la Costa. He also inducts Angel M. Tesoro as member of the Board of the National Power Corporation.

The President directs Lt. Gen. Vargas to order the Philippine Constabulary to go after rice profiteers and hoarders in view of the rising rice prices; he also instructs him to assign two Armed Forces legal officers to study ways and means of enforcing lower rice prices.

The President receives Mayor Arsenio Lacson of Manila, the President during the conference approving an extension of the proposed slaughterhouse area in Tondo from 12,000 to 32,000 square meters to make room for a stockyard; he also approves the release of Manila's pre-war deposits in the Philippine National Bank, amounting to ₱400,000, to be used for reclamation projects in the city.

Aug. 4—The President receives American Ambassador Raymond A. Spruance who presents him with a gift transmitted by President Dwight D. Eisenhower of a gavel made from wood taken from the door in the cell in Fort Santiago in which the martyr-hero, Dr. Jose Rizal, spent his last day; the gavel was in possession of Col. James H. Tierney, U.S. Army (retired), who asked the United States Government to present it to the Philippine people.

With the President presiding, the Cabinet approves a recommendation of Juan O. Chicho, General Manager and Chairman of the Board of the NARIC (National Rice and Corn Corporation), who is present, to permit an unlimited importation of rice by private importers to increase the supply and lower the price; the Cabinet also approves his recommendation that he be authorized to study the possible rescinding of the contract entered into by NARIC with FIMCO (Farm Implements and Machinery Company) for the sale of the so-called "rotten" rice, of which some 7,000 metric tons have already been delivered and much of the remainder having been found still fit for human consumption. The Cabinet approves a recommendation of Secretary of Agriculture Salvador Araneta and Secretary of Commerce Oscar Ledesma to lift temporarily the import ban on potatoes, onions, and garlic in order to relieve the current scarcity, the importation to be handled

Economic Development Corps, EDCOR (organized, 1951, under the Armed Forces of the Philippines)
Export Control Committee (established, 1951, under the Department of Agriculture and Natural Resources, superseding Inter-Departmental Committee)
Import Control Commission (established, 1951, superseding the Import Control Administration and taking over the licensing functions previously transferred to PRISCO; passed out of existence with lapse of Act which created it, June 30, 1953; functions in effect taken over by Central Bank thereafter through continued foreign exchange control)
Sugar Quota Administration (established, 1951, superseding the Sugar Quota Office)
National Rice and Corn Corporation, NARIC (reactivated as a separate and independent government corporation, 1951)
Philippine Sugar Institute (established, 1951, taking over the assets of the Insular Sugar Refining Corporation, NDC)
Manila Gas Corporation (established, 1912; Government, through NDC, acquired majority control, 1951)
Agricultural Credit and Cooperative Financing Administration, ACCFA, (established, 1952, taking over the functions of the

Cooperative Administration Office in the Department of Commerce and Industry)
Rural Credit Banking System (established, 1952, under the Department of Loans and Credit, Central Bank)
National Resettlement and Rehabilitation Administration, NARRA (established, 1954, superseding LASEDECO)
Philippine Coconut Administration (established, 1954)
Philippine Tobacco Administration (established, 1954)

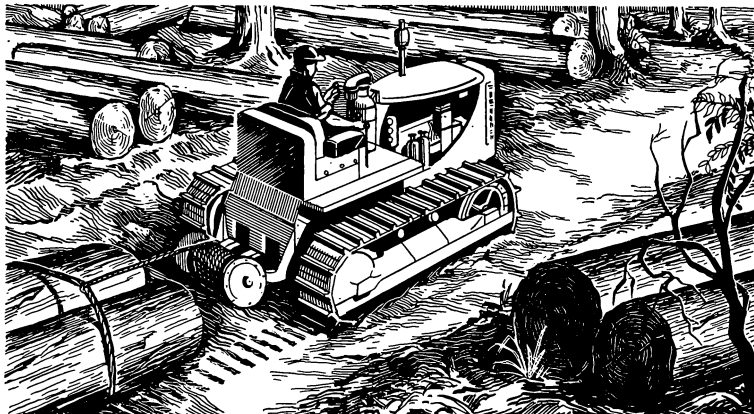
Companies in which the Government, through NDC, holds an Interest

De la Rama Steamship Company, Inc. (NDC preferred shares of stock redeemed, 1954; management contract over 3 "Doña" vessels to be terminated, effective 1955)
Cia. de Celulosa de Filipinas, Inc.
Philippine Electrical Manufacturing Company
Philippine International Fair, Inc.
Apart from the foregoing enterprises, the Government holds a stock interest and exercises a substantial measure of control in various private corporations through loans granted by the Rehabilitation Finance Corporation.

CHRISTMAS COCOHONEY

The ever popular Mandalay Cocohoney in bamboo tubes is as always, the truly Tropic Gift. Mail your lists of friends to us, AIR MAIL, and we'll see that they arrive Any-where-in-the-World for Christmas. Price \$2.00 (United States), ₱4.00 (Philippines). Address: Mandalay, Inc., P. O. Box 1155, Manila, Philippines.

“meritorious performance of Shell Rotella Oil”



“... Especially we should like to comment on the meritorious performance of Shell Rotella Oil used in our logging tractors since liberation. Operating under arduous conditions throughout the years, regular analysis has proved that your Rotella Oil has given us maximum reliable and long lasting service to our utmost satisfaction, while your Shell Unedo Grease No. 1 has matched this achievement in every way.”

STA. CECILIA SAWMILLS, INC.
(Sgd.) TOMAS MORATO, JR.
Assistant Manager

SHELL ROTELLA OIL

SHELL TECHNICAL SERVICE offers you Planned Lubrication—detailed study and complete analysis of plant and machinery, advice on lubricants application, oil change periods... facilities of SHELL Laboratory, Manila, are available to all customers. For full details, call the nearest SHELL Office: Manila—3-94-11; Hoilo—LD-77; Cebu—LD-1046; Bacolod—LD-726-R; Ker & Co., Davao—LD-386.

S3-7-1a



LEADERSHIP IN LUBRICATION

exclusively by an association of local growers of these products "who would be in the best position to limit the importation only to the extent necessary to supplement their own output in view of their natural desire to protect their own crops"; the Cabinet decides to entrust the task of organizing the association to the ACCFA (Agricultural Credit and Cooperative Financing Administration).

The Cabinet approves a recommendation of Economic Coordinator Alfredo Montelibano for the purchase by NARCA (National Resettlement and Rehabilitation Administration) of 850 hectares of the 2,300 hectares of an estate owned by the Colegio de San Jose and offered for ₱200,000, or approximately ₱235 a hectare, the land to be re-sold to the tenants on a 10-year plan; the Court of Industrial Relations recently ordered the ejection of the tenants and the President asked Mr. Montelibano to look into the matter. The Cabinet also confirms the stand taken by Secretary Araneta recognizing the validity of payments made to the Government in Japanese military notes during the enemy occupation by the tenants on the Dinalupihan Estate, Bataan.

The President, during the Cabinet meeting, signs an authorization for the Central Bank to begin the sale of ₱200,000,000 worth of the ₱1,000,000,000 bond issue recently authorized by Congress for the Administration's development program, the initial ₱200,000,000 to be used for highway improvement.

Aug. 4 — The House of Representatives before adjourning the Special Session last night agreed to form a committee to investigate the President's committee, of which Executive Secretary Fred Ruiz Castro is Chairman, which is investigating the hazing in Greek-Letter fraternities in the University of the Philippines which recently allegedly resulted in the death of a student; Castro denied, as claimed on the floor of the House, that the civil liberties of the students had been violated in the hearings held by his committee.

Aug. 5 — The President visits several NARIC warehouses to inspect the "rotten" rice imported three years ago and as about half of it is found still edible, he orders that the good be separated from the bad as quickly as possible.

The President instructs Secretary of Public Works Orosa to suspend until further orders the authorized extension for one year of the contract between the Bureau of Supply and the Pacific Exchange Corporation for the purchase of asphalt and to make a further study of the product, the price, etc.

Aug. 6 — The President administers the oath of office to Benigno Aldana as Assistant Director of Public Schools, vice Pedro Guingan.

The President receives members of the Peace and Amelioration Fund Commission, Manuel Elizalde, Chairman, who report that during the first phase of the campaign, the set quota of ₱500,000 was over-subscribed within one month.

Aug. 7 — The President confers with the committee appointed to investigate the NARIC, Fortunado de Leon, Chairman, which reports that the excess importation of rice in 1952 was in accordance with a top-level decision during the Quirino Administration although the NARIC statistician had reported there was no need to import the rice that year and that the NARIC made the purchase of 42,000 metric tons of rice and 10,000 metric tons from Burma, through Filipino intermediaries instead of direct from the Thai and Burma Governments, losing some ₱3,693,500 thereby; that uncollected receivables of the NARIC books are correct, totalled some ₱4,585,670 as of March 31, of this year; and that the "rotten" rice sale was authorized in March, 1954, by the NARIC Board after consultation with the Philippine National Bank in order to enable the Corporation to pay its debt to the Bank, but that a better offer from the L. M. Enterprises was ignored.

Aug. 8 — The President holds a long conference with the General Staff of the Armed Forces on the world situation, with particular reference to the Far East; the President is also informed of the latest developments of the anti-boarding campaign in the country.

Aug. 9 — The President receives a report from a Bureau of Internal Revenue and National Bureau of Investigation group on the initial results of a campaign to intensify tax-collection efforts and he is given a list of some 19 persons and companies whose tax payments are in arrears, including a former Senator, whose assessment of some ₱333,400, including surcharges and penalties, is, however, under re-investigation. The total due from the persons and entities on the list runs to over ₱2,301,000.

Aug. 10 — The President receives Vice-President Carlos P. Garcia who informs him that there has been an "encouraging response" to the Philippine invitation to hold the SEATO (Southeast Asia Treaty Organization); Garcia informs the President the likely opening date of the conference is September 6.

The President receives an initial report from the Armed Forces on the anti-boarding campaign in Manila and Quezon City and later issues an executive order amending the ceiling prices of various varieties of rice fixed by former President Quirino, the President acting under the powers granted him by Republic Act No. 1168 enacted at the last regular session of Congress. The new lower ceiling prices are: for imported rice (Macan equivalent NARIC old stock, remilled, wholesalers, 70 centavos a ganta, retailers, 75 centavos; for native rice, Macan second class, wholesalers, 80 centavos, retailers, 75 centavos.

Aug. 11 — The President, in a letter to Senator Claro M. Recto, states that "for reasons of national security" and in view of the recent explosive developments in the international scene, particularly in the

Far Eastern theater," he has directed Brig. Gen. Alfonso Arellano to discontinue his investigation of the letter written by Maj. Gen. Robert M. Cannon, JUSMAG Chief, re an article written by Lt. Col. Lorenzo Camins, and suggests that the Senate also drop its investigation of the matter; the President states also that it was he who was "responsible for the relief of Lt. Col. Conrado Rigor and three other officers and for the withdrawal from circulation of the publication in which the article of Lt. Col. Camins appeared."

Announced that the President has called a 3-day conference of provincial governors and city mayors, beginning August 19, to discuss various vital issues, especially civil defense.

With the President presiding, the Cabinet decides to refer to the Bureau of Civil Service all requests for reconsideration of the latest government board examinations; the President states he is prepared to adopt whatever recommendations the Bureau may make.

The President creates the Jose Rizal National Centennial Commission and charges it with the preparation of the general program of the centenary to be celebrated on June 19, 1961; the Commission is headed by the Secretary of Education.

The President receives Col. Andres Soriano, President of the Philippine Air Lines, who reports that the proceeds of all the Company's four-engine planes amount to ₱12,700,000 and that the management will propose to the stockholders authorization of a decrease of the capital stock of the Corporation from 1,250,000 shares to 800,000 shares at ₱1 par value distributing to the stockholders an amount of ₱4,143,240 on a pro-rata basis. Col. Soriano also requests the President's aid in expediting the developmental work in the Cagayan Valley of the Philippine Oil Development Company, which he heads.

Aug. 12 — The President sends a radio message to President Eisenhower in connection with Philippine-American Day to be observed tomorrow, stating in part:

"... may I on behalf of my people and my own, extend hearty greetings to you and through you to the American people and make acknowledgment of our deep appreciation and gratitude for all that America has done during the last half century to help us attain the high state of progress and security we enjoy today? I wish to reiterate our abiding faith in the altruism and spirit of justice of your people and our assurances of loyal friendship and utmost cooperation in your every endeavor to insure freedom and peaceful progress for all peoples. We are proud to have been identified with you all these years and it is our hope that we may be able to continue for a long time to come this pleasant and fruitful relationship in a manner that assures both our peoples a maximum of economic strength, security, and happiness; it may interest you to know that on this occasion I am opening Corregidor and Bataan to the public and dedicating them as shrines to all free men by way of tribute to the memory of the Philippines' national heroes who died or served there and whose spirit of sacrifice inspired Philippine-American Day."

The President in a proclamation designates Bataan and Corregidor national shrines and as "open and freely accessible to the public, including all peoples of the free world."

The President gives a luncheon in honor of Gen. John W. Sessums, outgoing commander of the U. S. Air Force in the Philippines.

The President administers the oaths of office to the officers of the newly organized Association of Government Executives composed of heads of government bureaus and offices; Director Andres O. Hizon, of the Bureau of Coast and Geodetic Survey, is the President.

Aug. 13 — President Maguaysay receives messages from President Eisenhower and the American Secretaries, including Vice-President Richard Nixon, Speaker Joseph W. Martin, former Ambassador Myron M. Cowen, etc. President Eisenhower's message states:

"Thank you for your kind message informing me of your designation of August 13 as Philippine-American Day. The American people look back with pride on the long and friendly association which, in a spirit of mutual cooperation, has forged the strong ties now existing between us. I welcome your decision to open Bataan and Corregidor to the public as a symbol of the great sacrifices made by Filipino and American soldiers in their struggle for a better world. Based on the firm foundation of our mutual friendship will surely continue to contribute to the strength of the free world."

Philippine-American Day is observed with special ceremonies on the Luneta, with Speaker Jose B. Laurel, Jr. delivering the main address. At a popular dinner given in the Manila Hotel in the evening, Speaker pro tempore Daniel Romualdez reads a message from the President in which he congratulates the joint committee in charge for the success achieved on short notice and states in part:

"The general response, not only here in the Philippines but also in the United States, justifies me in the belief that the policies of close collaboration between the two nations as a means of assuring themselves peace, progress, and security."

Aug. 14 — The President holds a breakfast conference with Maj. Gen. Arthur Trudeau, head of the U.S. Army Intelligence, who is visiting the Philippines and will leave to-day for Hongkong; General Trudeau is quoted as saying that the Philippines is "the focal center of Democracy in the Pacific."

The President issues a proclamation declaring Thursday, August 19, 1954, which marks the 76th anniversary of the birth of the late President Manuel L. Quezon, as a special public holiday.

Aug. 16 — The President receives a report from the Monetary Board, the policy-making body of the Central Bank, on what it is doing "to remove the inequities in the system of dollar allocations for imports"; the Board recently having received instructions from the President, through the Secretary of Finance, to "change its system in order that reported favoritism and irregular transactions might be avoided." The report states that "the operation of the import control laws before the Central Bank took over this work had been admittedly unjust to many old importers," but that the new system of controls followed by the Bank "has met with the approval of the business community."

Luis Taruk, Huk leader who surrendered to the Government some 4 months ago, appears for arraignment before the court on charges of rebellion, murder, arson, kidnapping, and other crimes in a 30-point indictment, but arraignment is postponed pending the court's decision on the question raised by the defense whether he can be charged with such complex crimes.

Aug. 17 — The President by Executive Order No. 57 creates the Community Development Planning Council "integrate giving the rural population fair and full opportunities in the pursuit of a dignified and abundant life"; and the Council will coordinate and integrate the activities of various agencies of the Government engaged in rural development projects; named to the Council are the Chairman of the National Economic Council as Chairman, and the Executive Secretary, the Secretary of Agriculture and Natural Resources, the Secretary of Health, the Secretary of Education, the Secretary of Public Works and Communications, the Secretary of National Defense, the Social Welfare Administrator, and three private citizens to be appointed by the President as members.

The President makes a surprise visit at the Bureau of Customs at around 8 o'clock and expresses displeasure over finding a number of officials not present at their desks.

Aug. 20 — The President holds an all-party breakfast conference with members of Congress at which a draft text of the Philippine proposal for a declaration of principles to be submitted for consideration of the participating nations in the forthcoming SEATO (Southeast Asia Treaty Organization) conference is approved. At the conference a 14-member Congressional Consultative Committee is appointed which will advise the Philippine representation at the SEATO talks, seven representatives of the Senate and seven of the House being named by Senate President Eulogio B. Rodriguez and Speaker Laurel respectively; designated co-chairmen are Sen. Francisco Delgado and Rep. Miguel Cuenco. Members are Senators Manuel Briones, Claro M. Recto, Emmanuel Palaez, Lorenzo Tañada, Tomas Cabili, and Quintin Paredes, and Representatives Numeriano Babao, Lorenzo Teves, Erasmo Cruz, Jose Alderigi, Cornelio Villalreal, and Diosdado Macapagal; Minister Felino Neri is named adviser to the committee.

Aug. 21 — The President designates former Under-Secretary of Foreign Affairs Felino Neri as acting deputy to Vice-President and concurrently Secretary of Foreign Affairs Carlos P. Garcia for the Philippines-United States continuing Defense Council meeting scheduled for September 4 and at the SEATO conference opening September 6.

The President gives a luncheon in honor of the League of Provincial Governors and City Mayors; earlier in the day he complimented the officials on their implementation of his rural improvement program and, among other things, promised that he would "personally order the revocation of the franchises of power companies which do not reduce their rates to reasonable levels." Among the resolutions approved during the 3-day convention is one proposing that the Minimum Wage Law be amended to authorize provincial boards, and municipal boards in the case of the cities, to determine and fix the minimum wage in their respective jurisdictions in consideration of local conditions and circumstances.

Aug. 22 — The President directs Secretary of Defense Sotero Cabahig to determine the whereabouts of some 6,000 Indonesians in the Davao area who have entered the country illegally, this having been one of the matters called to his attention during his conference with provincial and city executives.

The President receives a further report from the committee headed by Commodore Jose M. Francisco on the alleged violations of the law by the Villanueva Steamship Co., Inc. in connection with the loans and dollar allocations it received from the Rehabilitation Finance Corporation and the Central Bank for the purchase of a number of highly overvalued ships.

Aug. 23 — The President issues the following letter of instructions to Senator Laurel who, with Governor Miguel M. Cuaderno, of the Central Bank, will leave for the United States tomorrow. Four other members of the Mission, Senators Gil Puyat and Francisco Delgado, and Representatives Eulogio Rodriguez, Jr., and Diosdado Macapagal, will leave on September 2, and a technical group, composed of Antonio de las Alas, Montano Tejam, Cesar Lanuza, and Manuel Felizardo, will leave with them.

"Dear Senator Laurel:

"In order to secure a reexamination of the Philippines-United States trade relations, particularly in relation to the Executive Agreement under the terms of the Philippine Trade Act of 1946, I hereby authorize you to proceed to the United States as Chairman of the Philippine Delegation to meet with the delegation which has been appointed by the Government of the United States to come to the Philippines to work for the settlement of all the financial claims of the Republic of the Philippines on the Government of the United States, which was recommended in the Report of the U. S. Economic Mission to the Philippines in 1950. I authorize you further to take up with the American Delegation such other related matters as may have bearing on the economy of our country, in general.

"You will be accompanied by Senator Gil J. Puyat and Governor Miguel M. Cuaderno, Sr. as members of the Philippine Delegation. You may take along such other members of the Delegation and the Technical Panel as may be needed.

"With my best wishes,

"Very sincerely yours,

"(Sgd.) RAMON MAGSAYSAY."

The President instructs Public Works officials to utilize as much as possible the services of private contractors in the installation of artesian wells so that the program may proceed at a faster rate and more economically.

Aug. 21 — Rafael Lacson, suspended Governor of Occidental Negros, and 21 members of his former political machine which terrorized

the province for several years, are sentenced to death for the murder of Moises Padilla on November 16, 1951, by Judge Eduardo Enriquez, the decision bringing to an end a 2-1/2 year trial; five others charged were acquitted for insufficiency of evidence.

Aug. 24 — The President directs Budget Commissioner Dominador Aytona to release P800,000 needed to start the prefabricated school house building program, pending the approval of the Public Works Bill which appropriates P5,000,000 for the program.

The President directs the Bureau of the Home Industries Association of the Philippines, headed by Hilario G. Henares, and projects a plan to award those municipalities in which the school children utilize locally-produced clothing, awards to consist of national aid in the construction of periculture centers, water-works, etc., ordering the release of P10,000 for setting up a periculture center in Miag-ao, Iloilo, where most of the people wear wholly native-made clothing; under the plan, the National Development Company will assist home industry by advancing supplies of cotton weaving yarns of which some P2,000,000 worth is stored unsold in the NDC textile mill in Narvacan, Ilocos Sur, for lack of buyers.

The Philippine Marine Officers Guild calls strike on 10 local shipping firms.

Aug. 25 — The President signs H.B. 2165, new Rep. Act 1194, amending Rep. Act 698 limiting the importation of leaf tobacco; H.B. 2512, now Rep. Act 1193, allowing the expenditure during the first half of 1954 of the income accruing in the general, special, trust, and other funds in the Treasury; and H.B. 2569, now Rep. Act 1195, appropriating P500,000 to defray the expenses in the negotiation of the revision of the United States-Philippine Trade Agreement.

The President at a meeting of the Cabinet directs Juan O. Chicho, general manager and board chairman of NARIC to sell immediately to the consuming public 2,600 tons of the imported rice in its warehouse deemed still to be in good condition at P.60 a ganta retail or P.55 a ganta (P13.75 a cavan) wholesale, ex-warehouse Manila; he directs Secretary of Commerce Oscar Ledesma, who is acting chairman of the PRISCO board of directors, to use the distribution facilities of PRISCO in the sale of this rice, and Under-Secretary of National Defense Jose Crisol to make the Armed Forces transportation facilities available for the purpose. He also instructs NARIC to implement immediately the previously-approved policy to permit the importation of rice by private capitalists; the NARIC Board will meet with interested importers on August 30 to discuss arrangements.

The President instructs Secretary of Commerce Ledesma to turn over P20,000,000 to be used for the purchase of rice in PRISCO warehouses and Col. Osmando Mondofedo, ACCFA Administrator, to dispose of it to Nuron farmers at easy prices, if necessary on an installment basis.

The President receives a delegation from the Chamber of Commerce of the Philippines, the Chamber of Industries, the Chamber of Agriculture, and the Chamber of Mines which presents a resolution embodying the suggestions of these entities on the proposed revision of the Philippine-American Trade Agreement.

The President inducts the new officers of the Consultative Council of Students and also issues certificates of merit to the students of the Mapua Institute of Technology who served in the rat-eradication campaign in Cotabato a few months ago.

Malacañang press secretary J. V. Cruz states there is no basis to the report that the Administration was considering the deportation of 3,000 temporary Chinese visitors to Communist China in view of the refusal of the Chinese Nationalist Government of Formosa to receive them. "It is unthinkable that the Philippine Government would countenance any move that would condemn anyone to the slavery of the Communist state. The solution to the problem of the Chinese visitors will be found elsewhere, not in this direction."

Senator Laurel and Central Bank Governor Cuaderno enplane for the United States; the Senator is accompanied by his wife, his daughter and two private secretaries.

Aug. 26 — The President signs H.B. 2060, now Rep. Act 1192, creating the Bureau of Public Highways; H.B. 2580, now Rep. Act 1196, amending Rep. Act 911 by authorizing the President to decrease by not more than 60% or to increase by not more than 10 times the rate of import duties, the authority expiring on December 31, 1955; and S.B. 1, now Rep. Act 1191, demonetizing treasury certificates and Central Bank notes in denominations over P100.

The President and leaders of Congress approve the complete list of members of the Philippine delegation to the SEATO Conference; Chief Delegate, Vice-President Garcia; plenipotentiary delegates, Sen. Francisco Delgado and Rep. Miguel Cuenco; and a representative each of the Democrat, Liberal, and Christian parties whose names will be announced later. Seven special advisers are named: Dean Vicente G. Sinco, Lt. Gen. Jesus B. Vargas, Minister Felino Neri, Filemon Rodriguez, Dr. Gaudencio Garcia, Prof. Enrique M. Fernando, and Prof. Sotero H. Laurel. A 14-member congressional consultative council is headed by Senator Delgado and Representative Cuenco as co-chairmen, was appointed a few days ago. Counselor Juan M. Arreglado, chief of the special treaties division, Department of Foreign Affairs, will serve as secretary to the delegation.

The President and leaders of Congress agree on setting up a new Philippine panel for reparations negotiations with Japan, with Minister Neri as head of the panel. In view of the departure of Senator Laurel, the President asked Senator Recto to head the group, but Recto excused himself, "pointing out that the position he had taken

on the operations issued a permit to accept the assignment. Recto, instead, proposed the constitution of an entirely new Philippine panel to face the Japanese upon resumption of the talks. This group will not include any members of Congress." The suggestion that Vice-President Garcia head the group was dropped in view of the fact that he is of higher rank than the chief Japanese negotiator.

The Government Survey and Reorganization Commission meets and decides to invite the general public, including government employees, to submit suggestions on the proposed reorganization of the government. Most of the meeting is devoted to listening to a report of Louis J. Kroeger on the work he and his staff have accomplished regarding the classification of positions and standardization of salaries.

Aug. 27 — The President and congressional leaders reach agreement on the Government's comments on the United States draft treaty for the Manila (SEATO) Conference of 1954.

The President orders the Central Bank to file criminal charges and suspend dollar allocations to some 432 importers found to have falsified their import and supporting papers with the defunct Import Control Commission, following his receiving the list of names of the "fake importers" from the Central Bank and the National Bureau of Investigation team which he had instructed to investigate the matter.

The President visits the NARIC offices and is informed that the old imported rice priced at 60 centavos a ganta is selling briskly in Manila and neighboring towns; he instructs the officials to send the rice also to such provinces as Sorsogon from which complaints have been received of a shortage.

The President administers oaths of office to the 28 members of UNESCO's National Commission of the Philippines who represent various private and public educational, scientific, and cultural organizations in the country.

Aug. 28 — The President signs House Bill 2576, now Rep. Act 1197, amending Rep. Act 601 as amended by Rep. Act 1175, regarding the excise tax on foreign exchange; the latest amendment provides for exemptions from the payment of the exchange tax on (1) remittances in payment of wheat flour, cattle, and cocoa beans; (2) remittances by airlines of American registry operating between the Philippines and the United States of income in the Philippines to their head offices, provided the airlines were granted an operating permit prior to the enactment of Rep. Act 601; (3) remittances for payment of living and some other expenses of students abroad, not to exceed \$250 a month; (4) dollar allocations for one trip a year and not exceeding \$300 for each Moro pilgrim traveling abroad under permit of the Government. The President also signs House Bill No. 2577, now Rep. Act 1198, creating the Office of State Attorneys in the Department of Justice.

The President designates the following as members of the Philippine panel in the forthcoming Defense Council talks with U. S. Secretary of State John Foster Dulles: Vice-President Garcia, Minister Neri, Lt. Gen. Vargas, Brig. Gen. Balao, Brig. Gen. Arellano, Brig. Gen. Cruz, and Commodore Francisco; as there are no members of Congress on the United States panel, no members of the Philippine Congress will be named to the Philippine panel.

Malacañang announces that the congressional representatives in the Philippine delegation for the revision of the Bell Trade Act will leave for the United States shortly; the members, besides senators Laurel, the Chairman, and Senators Puyat, Delgado, Sumulong, Paredes, and Tañada, and Representatives Godofredo P. Ramos, Daniel Romualdez, Eulogio Rodriguez, Jr., Diosdado Macapagal, and Jose J. Roy. Miguel Cuaderno, Sr., Caesar Z. Lanuza, Montano A. Tejam, Antonio de las Alas, and Miguel Felizardo represent the Executive Department. Members of the Philippine technical panel of experts who will remain in Manila "to service the Philippine delegation at this end", are Filemon Rodriguez, Chairman, and Leonides Virata, Daniel Aguinaldo, Toribio Teodoro, Ramon del Rosario, Bernardino Bantegui, Mamerto Endriga, and Anselmo Trinidad.

The President makes another surprise visit to the NARIC offices; army trucks are assisting in the distribution of rice in Manila and suburbs.

Former Ambassador M. M. Cowen and Maj. Gen. Leland S. Hobbs, former JUSMAG chief, state in a telegram to Malacañang that the U. S. Committee on Philippine Aid, Development, and Rehabilitation (COMPADRE) has been very successful in the initial stage of the drive aimed at providing additional funds for the artesian well program; included are a number of pumps donated by the Worthington Corporation, the Peerless Pump Company, and the Goulds Pump Corporation.

Aug. 29 — The President again visits the NARIC offices to check on the rice distribution; he states he is "not fighting rice producers and retailers, but in giving a lesson to rice hoarders and profiteers."

Aug. 30 — Malacañang issues a press release stating that the President was "shocked" by the light sentence imposed on Huk leader Taruc, calling it a "mockery of justice," and that he has instructed the legal officers of the Government and of the Armed Forces to institute new charges against him in other untried cases, including the ambush and killing of Mrs. Quezon and members of her party. Judge Gregorio Narvasa today convicted the Huk leader of the crime of rebellion alone and not of the complex crime of rebellion with murders, arson, kidnappings, and robberies preferred against him by the State, and, waving aside the prosecution's demand for life imprisonment, sentenced him to 12 years imprisonment and a fine of ₱20,000.

The President motors to San Pedro Tunasan, Laguna, on the occasion of the turn-over of the Colegio de San Jose land there purchased by the Government for ₱200,000.

Aug. 31 — Hundreds of messages were received at Malacañang congratulating the President on his 47th birthday anniversary. He grants pardons and commutations of sentence to 13 prisoners and spends most of the day at Camp Olivares, Pampanga, also visiting the Armed Forces hospital in San Fernando.

Banking and Finance

By M. D. ARNOLD
Sub-Manager

The National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31, 1949	As of May 31, 1954	As of June 30, 1954	As of July 30, 1954
ASSETS (In thousands of pesos)				
International Reserve	₱460,689	₱462,242	₱465,943	₱457,288
Contribution to the International Monetary Fund	30,000	30,000	30,000	30,000
Account to Secure Coinage	113,306	106,940	106,940	106,940
Loans and Advances	77,047	3,574	1,584	714
Trust Account—Securities Stabilization Fund	—	—	—	—
Domestic Securities	92,197	248,449	240,066	227,970
Other Assets	20,390	55,683	49,982	54,626
	₱793,629	₱906,888	₱894,515	₱877,538
LIABILITIES				
Currency — Notes	₱555,576	₱603,572	₱587,486	₱584,708
Coins	74,384	84,654	84,700	84,802
Demand Deposits—Pesos	117,682	167,783	170,775	154,484
Securities Stabilization Fund	2,000	14,625	14,667	14,864
Due to International Monetary Fund	22,498	496	496	496
Due to International Bank for Reconstruction and Development	2,389	2,377	2,377	2,377
Other Liabilities	2,636	4,654	5,060	6,136
Deferred Credits	—	3,207	478	894
Capital	10,000	10,000	10,000	10,000
Undivided Profits	6,464	2,252	5,208	5,509
Surplus	—	13,268	13,268	13,268
	₱793,629	₱906,888	₱894,515	₱877,538

The international reserves as of July 31, 1954, were as follows:

Central Bank International Reserves	\$228,643,804.02
Japan Open Account (due from)	15,491,574.19
Net FX Holdings other Banks	64,713,564.42
	\$308,848,942.63

This is an increase of approximately \$10,833,000 as compared to June 30, 1954.

Currency and coins issued totalled ₱669,509,890.03. Money continues tight in Manila and up-country.

It is reported small retailers, many of whom are Chinese, have been forced to curtail credit in view of the Nationalization of the Retail Trade Law, as wholesalers are in turn restricting their terms to these retailers. The July-August period is normally dull, which is now further depressed by the factor mentioned above. Unemployment is becoming a matter of increasing concern.

Manila Stock Market

By J. J. ORTIGAS
Picornell, Ortigas & Co.

July 24 to August 20

WITH the exception of Mindanao Mother Lode Mining Company which advanced sharply on reports that the Company is exploring a copper prospect in Zam-

bales, the price movements of the rest of the mining issues have been very narrow.

The free gold market has ruled unchanged during the past month with the price of gold closing at approximately \$110.20 per fine ounce.

Activity in the commercial and industrial group was confined to Philippine Long Distance Telephone Company common shares which were well bought in sympathy with a rise in this stock in the San Francisco market. Sugar shares were steadier, with some activity noted in La Carlota, Tarlac, and Bais which closed higher. San Miguel Brewery was in somewhat better demand.

MINING SHARES

1953-54 Range High Low	High	Low	Close	Change	Total Sales
107.42 82.78	M. S. E. Mining Share	94.93	89.08	94.52	Up 5.38 6,038,508
0.255 0.125	Acoje Mining Company	.145	.14	.14	Off .005 167,135
0.0675 0.037	Ataraja Mines & Dev. Co.	.08	.07	.0775	Up .0025 430,000
2.75 0.80	Atok Big Wedge Mining Co.	1.20	1.20	1.16a	Up .04 1,000
0.0975 0.06	Baguio Gold Mining Co.	.08	.08	.0825b	Up .0125 15,000
2.10 0.60	Bancog Mining Co.	.50	.50	.50	30 3,955
0.8026 0.0011	Batong Bahay Gold.	.0017	.0017	.0017	Off .10 100,000
4.60 2.60	Benet Con. Co.	3.20	3.15	3.15	Off .10 14,500
0.031 0.015	Coco Grove Inc.	—	—	.03a	—
0.046 0.034	Consolidated Mines, Inc.	.042	.039	.041	Up .001 1,471,500
0.305 0.115	General Base Metals	—	—	.13a	—
0.22 0.10	Hinar Gold Mining Co.	.10	.10	.10	Off .02 6,000
0.105 0.036	Ilogon Mining Co.	.50	.43	.43b	Up .01 447,500
0.46 0.31	Itogon Mines & Manganese	.45	.43	.44	Up .01 447,500
0.1475 0.05	Mindanao Mother Lode	.135	.07	.135	Up .065 155,000
0.23 0.06	Cons.	.23	.23	.23	— 65,000
2.29 1.42	Philippine Iron Mines, Inc.	1.70	1.62	1.62	Off .04 77,050
0.31 0.15	San Maurice Mining Co.	—	—	.155a	—
0.27 0.17	Surigao Cons.	.185	.175	.175	Up .005 243,000
0.015 0.008	Suyoc Cons.	—	—	.015a	—

COMMERCIAL SHARES

1953-54 Range High Low	High	Low	Close	Change	Total Sales
106.00 135.00	Bank of the Philippine Islands	196.00	195.00	196.00	Up 11.00 69
20.00 11.00	Bogo-Medellin Milling Co.	14.00	14.00	14.00	— 661
72.50 60.00	Central Azucarera de Bais	66.00	64.00	66.00	Up 4.00 63
130.00 100.00	Central Azucarera de La Carlota	130.00	130.00	130.00	Up 5.00 74
105.00 100.00	Central Azucarera de Pilar	—	—	85.00b	—
45.00 26.00	Central Azucarera de Tarlac	42.00	42.00	42.00	Up 1.00 65
370.00 360.00	China Banking Corp.	—	—	350.00b	—
12.00 10.00	Cia. de Ceballos de Filipinas	12.00	11.25	12.00	Up 50 850
24.00 22.00	Filipinas Cia. de Seguros	22.50	22.50	22.50	Off .50 625
10.00 3.00	Industrial Textiles Mfg. Co. P.I.	3.50	3.00	3.50	Off .20 2,000
7.50 7.00	Instar Life Ass. Co.	—	—	7.00b	—
0.40 0.27	Manila Broadcasting Co.	—	—	.45a	—
3.60 2.80	Manila Wine Merchants & Co., Inc.	3.60	3.60	3.60	Up .30 700
0.06 0.06	Marsman & Co., Inc.	—	—	.30a	—
0.06 0.06	Mayno Metal, class "B"	—	—	.05b	—
104.00 101.00	Metrolife, 2%	103.00	103.00	103.00	— T 360
153.00 153.00	Metropolitan Co.	153.00	153.00	153.00	— 69
34.00 20.00	Pasudeco	—	—	26.50b	—
10.00 5.00	Philippine Air Lines, Inc.	10.00	10.00	10.00	— 200
15.25 11.14	Philippine Long Dist. Tel. Co. com.	15.25	14.00	15.25	Up 1.25 21,750
0.0525 0.0500	Philippine Oil Dev. Co. Inc.	.039	.033	.039	Up .007 2,795,000
0.98 0.85	Philippine Racing Club, Inc.	—	—	1.00b	—
100.00 99.50	R & D 4% Bonds, 1959	100.00	100.00	100.00	— T 60
33.50 29.00	San Miguel Brewery, com.	35.00	34.00	34.50	Up .50 19,183
103.00 94.00	San Miguel Brewery, 7% pref.	103.00	102.00	102.00	Up 1.00 91
107.50 102.00	San Miguel Brewery, 8% pref.	106.50	106.50	106.50	Off .50 38
10.00 8.00	Williams Equipment, com.	—	—	10.00b	—

OVER THE COUNTER

Company	High	Low	Close	Total Sales
Eastern Development Co.	70.0035	0.0035	.0035	85,000
Far Eastern University	130.00	130.00	130.00	22
Philippine Education	65.00	65.00	65.00	66
Tabacalera, 6% Bonds (1962)	100.00	100.00	100.00	3,000
Victorias Milling Co., Inc.	100.00	95.00	95.00	560

Credit

BY PAUL W. HANNAFORD
Vice-President
Atkins, Kroll & Co., Inc.

COLLECTIONS continue to be difficult and there is a growing tendency to offer discounts for cash sales. Many firms are turning to their sales departments for assistance in collecting slow accounts.

Many executives take the attitude that a sale is not complete until payment has been banked and cleared. There are several advantages to having sales and credit departments working in close cooperation.

A salesman, besides having the thought of future business in mind, is usually on a friendlier footing with a customer than is the collector. A collection letter will usually go directly to the accounting department, whereas the salesman can solicit the cooperation of the purchasing agent.

Payment is often withheld for a justifiable reason and the salesman is best equipped to iron out customers' complaints.

The call on the customer can also be used as an opportunity for the salesman to obtain additional orders.

An account curtailed by the credit department is an account lost for the sales department.

The credit manager can also cooperate by writing "thank you" letters to those customers who pay on time. This not only creates good will, but gives the customer an incentive to establish and maintain a credit reputation.

The situation created by passage of the Retail Nationalization Law reported last month, has abated somewhat, but credit executives are still watching for developments.

Money in circulation continues to be short, especially in the provinces. Bankers are hopeful that this situation will be alleviated somewhat by the passage of the bill demonetizing Central Bank notes of over P100 denominations. It is difficult to determine the effect of the law at this early date.

Electric Power Production

(Manila Electric Company System)

By J. F. COTTON

Vice-President, Manila Electric Company

1941 Average—16,316,000 KWH

	Kilowatt Hours	
	1954	1953
January	57,301,000	50,107,000
February	52,447,000	45,501,000
March	57,779,000	50,789,000
April	54,408,000	49,159,000
May	57,773,000	52,042,000
June	58,525,000	51,304,000
July	60,205,000*	53,877,000
August	60,386,000**	54,275,000
September	—	53,636,000
October	—	55,943,000
November	—	53,756,000
December	—	57,968,000
Total	—	628,357,000

*Revised

**Partially estimated

August output established a new monthly record. A new daily record of 2,165,800 KWH was also recorded on August 20. There was an increase of 6,111,000 KWH, or 11.2%, over August, 1953.

Rockwell Station output for the month was the highest ever made. In August this station produced 61.3% of the total net output of the system.

Building Construction

By **JUAN J. CARLOS**

President, **United Construction Co., Inc.**

DURING the month of July, the Office of the City Engineer approved building permits for construction work amounting to **P2,314,355**. For the same period in 1953, the volume of work authorized amounted to **P7,091,450**, in comparison with **P3,478,360** in 1952 and **P2,591,750** in 1951.

Some of the big projects that were started during the month under review were:

A 3-story apartment for the Paramount Investment Company, on Rosario Street, costing **P250,000**;

For the Luzon Stevedoring Company, a 1-story steel building on 2nd Street, near Tacoma, estimated at **P200,000**;

A 2-story commercial building on Barcelona Street, near Peñarubia Street, for Yang Hua, costing **P100,000**;

On Elcano Street, a 3-story commercial building for Julian Cue, costing **P90,000**;

For the Compañía Marítima, a 1-story steel warehouse near Pier 8, North Harbor, estimated at **P100,000**.

Prices of all essential building materials registered slight decreases during the period under review due to the slow business occasioned by continuous rainy weather. Galvanized-iron sheets, which can be considered the barometer for other materials, were quoted at **P5.50-P5.60** per sheet of gauge 26, 8' long, down **P0.20** from last month's price. Reinforcing steel bars are lower by **P5** to **P10** per ton.

With the arrival of around 2,000,000 bags of Portland cement from Japan and Belgium and with the completion of repairs in the Cebu Plant, there is now available in the local market a sufficient supply to cope with the demand up to the end of this year. Although the government ceiling prices are pegged at **P3.90** per bag wholesale, and **P4.30** per bag retail, this item is now being sold at **P3.40** to **P3.50** per bag.

Real Estate

By **ANTONIO VARIAS**

Vice-President, **C. M. Hoskins & Co., Inc., Realtors**

REAL ESTATE sales registered in the Greater Manila area during the month of August, 1954, numbered **571**, with a total value of **P6,280,822**, as compared with **711**, with a total value of **P6,826,641**, registered during the preceding month of July.

Of the August sales, **145**, with a total value of **P1,948,002**, represented deals within Manila proper, and **426**, with a total value of **P4,332,820**, were transactions registered in Quezon City, Pasay City, and in the suburban towns of Caloocan, Makati, Malabon-Navotas, Mandaluyong, Parañaque, and San Juan.

A few of the bigger sales registered during the month were:

CITY OF MANILA

Binondo
Gandara St. A property with a lot of 234.7 sq.m. sold by Horacio Techanke to Manuel Villamor for **P70,000**.

Malate
Dakota St. A 2-story house on a lot of 573.11 sq.m. sold by Nicolas Zafrá to Benjamin Barrera for **P110,000**.

Florida corner Vermont St. A property with a lot of 441.82 sq.m. sold by Justo de la Cruz to Francisco K. Africa for **P79,500**.

M. H. del Pilar St. A property with a lot of 822.6 sq.m. sold by United Realty Co. to Trade and Commerce Co. for **P80,684**.

Paco
Marques de Comillas St. A 1-story building with a lot of 816.4 sq.m. sold by E. J. Mora Electric Co. to Otis Elevator Co. for **P80,000**.

Quiapo
Arlaguí St. A property with a lot of 1,101.7 sq.m. sold by Ho Lim to Manuel Chua for **P340,000**.

Azcarraga St. A property with a lot of 377.3 sq.m. sold by Rosario Perez Vda. de Mañazo to Jose L. Bautista for **P120,000**.

Sampaloc
Epedia corner Josefine Sts. A lot of 792 sq.m. sold by Felix Bilan to the Manila Electric Co. for **P71,280**.

Sta. Cruz
Platerias St. A property with a lot of 165 sq.m. sold by Pablo Feliciano to Nicenor Padilla for **P50,000**.

Tondo

F. Herrera St. A property with a lot of 321.6 sq.m. sold by Pastora Ortiz to Lourdes Rodriguez for **P45,000**.

PASAY CITY

Concepcion St. A property with a lot of 256 sq.m. sold by Vicente G. Alberto to Bienvenido Reynaud for **P45,000**.

F. B. Harrison St. corner Lancaster Ave. A parcel of 4,865 sq.m. sold by The Shell Company of the Philippines, Ltd. to Eugenio Lopez for **P131,355**.

F. B. Harrison St. A parcel of 4,286 sq.m. sold by Jose J. Reyes to Manuel Barredo for **P112,500**.

QUEZON CITY

New Manila
Broadway corner 13th St. A parcel of 2,799 sq.m. sold by Florencia G. Barretto to Francisco Rodrigo for **P50,382**.

Sta. Mesa Heights
Mayor's Office transfer by Hermogenes Jacinto of a property with a lot of 1,608 sq.m. sold to the corporate name Jacinto Rubber & Plastics Co. as a consideration of **P120,000**.

SUBURBAN TOWNS

Caloocan
M. H. Del Pilar St. A property with a lot of 1,365 sq.m. sold by Ricardo J. Parano to Arturo Jacinto for **P54,000**.

Parañaque
Villamar Court. A parcel of 882 sq.m. sold by Vicente Arias to Pilar Paredes Ventosa for **P45,530**.

Pasig
Rosario. A tract of 21,411 sq.m. sold by Mariano Perez to Ching Go for **P42,822**.

REAL estate mortgages registered in the Greater Manila area during the month numbered **606**, with a total value of **P9,567,697**, as compared with **597**, with a total value of **P10,657,657**, registered during the preceding month of July.

Of the August mortgages, **245**, with a total value of **P7,768,526**, represented transactions within Manila proper, while **352**, with a total value of **P2,889,131**, were mortgages in the places first above mentioned.

REAL ESTATE SALES, 1954

	Manila	Quezon City	Pasay	Suburban Towns	Total
January	P4,757,076	P1,306,427	P505,410	P1,676,512	P8,245,425
February	2,444,703	2,295,413	330,245	1,859,162	6,929,523
March	2,811,805	2,501,229	162,167	2,239,095	7,714,296
April	4,692,440	1,381,842	169,520	976,526	7,170,328
May	2,412,941	1,587,327	246,905	1,644,658	5,891,831
June	2,584,689	4,280,526	175,518	2,165,846	9,206,579
July	3,383,397	1,122,490	320,251	2,000,503	6,326,641
August	1,948,002	1,458,729	490,560	2,383,531	6,280,822

REAL ESTATE MORTGAGES, 1954

January	P6,243,766	P1,308,920	P517,867	P3,629,703	P11,700,256
February	2,980,579	1,891,440	600,810	2,115,852	7,588,816
March	4,400,965	2,132,170	417,390	1,773,031	8,723,556
April	5,606,798	1,392,580	267,850	1,503,990	7,771,218
May	4,148,835	1,991,400	334,300	1,170,865	8,185,400
June	6,593,711	1,486,785	607,600	2,119,166	8,807,262
July	7,768,526	1,237,031	284,370	1,367,730	10,657,657
August	5,170,526	1,853,524	829,613	1,714,034	9,567,697

Port of Manila

By **W. S. HURST**

Executive Officer, **Luzon Brokerage Company**

DELIVERIES for the month of August from the South Harbor piers totalled **80,000** tons of general cargo.

To further aid in wiping out the pilferage evil, the Customs Bureau has issued an order to the effect that the drivers and helpers on brokerage trucks are no longer permitted to enter the Pier sheds to locate and handle cargo. All cargo is now transported to the tail-gates of these trucks by the Delgado arrastre personnel. This is slowing up deliveries at times, but also eliminates unnecessary handling by too many people.

It is rumored that warehouses may in the near future be built in the Customs zone to help relieve the congestion at the Piers when too many ships arrive at the same time carrying heavy tonnage. This sounds very interesting. Meanwhile it is hoped that we will not again experience the congestion we had some few months ago when more cargo arrived than could be handled efficiently in the small space at present available.

Ocean Shipping and Exports

By E. H. BOSCH
Secretary-Manager
Associated Steamship Lines

TOTAL exports during the month of July this year showed a decrease of 26,486 tons over exports during July of last year; 152 vessels lifted 471,619 tons of exports during the month, as compared to 498,105 tons, lifted by 155 vessels, during the same month last year.

The decrease is mainly attributed to a decrease in log exports.

Exports during July, 1954, as compared with exports during July, 1953, were as follows:

Commodity	1954	1953
Bear.....	381 tons	89 tons
Cigars and cigarettes.....	15 "	21 "
Coconut, desiccated.....	5,754 "	6,177 "
Coconut oil.....	5,823 "	4,931 "
Concentrates containing copper, gold, silver, lead, and zinc.....	322 "	537 "
Copra.....	71,971 "	55,519 "
Copra cake meal.....	5,457 "	4,824 "
Embroideries.....	423 "	428 "
Empty cylinders.....	173 "	188 "
Fruits, fresh.....	21 "	11 "
Furniture, rattan.....	64 "	572 "
Glycerine.....	423 "	—
Gums, copal.....	139 "	91 "
Hemp.....	68,831 bales	72,635 bales
Hemp rugs.....	144 tons	—
Household goods and personal effects.....	557 "	395 tons
Kapok.....	26 "	—
Logs.....	33,277,644 bd.ft.	53,288,364 bd.ft.
Lumber, sawn.....	6,254,929 "	4,498,125 "
Molasses.....	18,306 tons	15,161 tons
Ores, chrome.....	23,075 "	44,631 "
Ores, iron.....	153,865 "	121,216 "
Ores, manganese.....	200 "	2,928 "
Pineapples, canned.....	7,532 "	10,980 "
Plywood and plywood products.....	45 "	—
Rattan, round (palasan).....	203 "	251 "
Rope.....	324 "	521 "
Shells, shell waste.....	71 "	61 "
Sugar, cent./raw.....	80,517 "	95,253 "
Sugar, refined.....	2,332 "	1,697 "
Tobacco.....	1,109 "	20 "
Vegetable oil.....	14 "	90 "
Merchandise, general.....	716 "	954 "

Freight Car Loadings

By JOSE B. LIBUNAO
Traffic Manager, Manila Railroad Company

LOADINGS of revenue freight during the month of July, 1954, totaled 2,550 cars. This was an increase of 584, or 29.71%, over the loadings during July, 1953, of 1,966 cars. The slight increase in carloadings was due to the new traffic in cement, late sugar, and copra and rice which represented 244 carloads. This increase was offset by logs, lumber, wood fuel, and other items by about 120 carloads.

Revenue Carloadings by Class

Group Commodities	July—Tonnage	
	1954	1953
Products of agriculture.....	6,771	3,612
Animal products.....	424	1,059
Products of mines.....	1,608	1,141
Products of forests.....	11,446	14,949
Products of manufactures.....	23,413	19,105
Merchandise less than by carloads.....	6,687	7,184
Total.....	50,351	47,050

There were 43 items considered in this review, with 21 items registering increases of 11,032 tons, while 22 items suffered decreases of 7,731 tons, or an aggregate increase of 3,301 tons. The principal items responsible for the increase were: rice, 1,986 tons; cement, 1,919 tons; copra, 1,831 tons; centrifugal sugar, 1,080 tons, and molasses, 897 tons; resulting in a total aggregate increase of 9,034 tons. On the other hand, the principal items which decreased were: lumber, 2,934 tons; fuel oil, 656 tons; and live-stock, 579 tons, or a total aggregate decrease of 4,170 tons. The aggregate increase on these items was 4,864 tons.

In spite of the dull business during July, 1954, freight carloadings improved over the same month last year mainly because of the movement of NARIC rice. Cement produced at the new Bacnotan Plant and the arrival of imported cement moved by rail also augmented the carloadings. Although copra was at a low price during the month, the stock had to be sold to meet the dealers' need for cash. The need for more gasoline for more flight training was responsible for the increase in the tonnage of this item. Centrifugal sugar, because of the greater production and delayed shipment, contributed to the increased carloadings.

There was a decided decrease in the tonnage of lumber and logs shipped. A demand for reduced freight rates by water by the lumber industry has been turned down.

Another factor contributing to the decrease in minor items was the increase of highway motor competition, which charges fluctuating freight rates in accordance with operating convenience. It is believed that adherence by highway operators to authorized rates and more strict regulation of truck operation would give the Railroad a larger volume of traffic.

Lumber

EY PACIFICO DE OCAMPO
Secretary-Treasurer
Philippine Lumber Producers' Association, Inc.

DURING the month under review, July, 1954, the Philippines exported 59,677,299 bd. ft. of logs and lumber, 21,616,860 bd. ft. more than the preceding month. The big increase was due to the increase in shipments of logs to Japan, from 29,413,167 bd. ft. in June, 1954, to 40,324,261 bd. ft. in July, 1954, or an increase of 10,911,094 bd. ft. The exports to the United States and Canada also increased by 605,078 bd. ft., from 6,266,194 bd. ft. in June, 1954, to 6,871,272 bd. ft. in July, 1954. The big increase was also due to increases in the shipments of logs and lumber to other countries by 10,100,688 bd. ft., from 2,381,078 bd. ft. in June to 12,481,766 bd. ft. in July, 1954.

Following are the figures in bd. ft. for the logs and lumber inspected for export during July, 1954, as released by the Bureau of Forestry.

Shipper	Destination	Volume in Bd. Ft.	
		Lumber	Logs
Aboitiz & Co., Inc.....	Japan	—	500,000
Agusan Timber Corp.....	Japan	—	2,000,000
Agualnold Development Corp.....	Japan	—	1,055,484
American Rubber Co.....	Japan	—	1,600,231
Anacleto O. Ranines.....	Japan	—	1,000,000
Anakan Lumber Co.....	U. S. A.	168,390	—
Arsas-Ansan Timber Co., Inc.....	Japan	—	1,740,000
Atkins Kroll & Co., Inc.....	Germany	—	300,000
Atlantic Gulf & Pacific Co.....	U. S. A.	—	10,000
	Okinawa	—	1,746
			23,441

		1,377,929	373,428
Basilan Lumber Co., Inc.	U. S. A.	221,054	
Brigido R. Valencia	Hongkong		1,050,115
Blisig Bay Lumber Co., Inc.	U. S. A.	237,704	
Calapan Lumber Co., Inc.	Hongkong	282,813	6,554,175
Cantilan Lumber Co.	Japan		105,420
Cipriano Luna Lumber Enter.	Japan	792,374	717,966
Continental Merchandizing Corp.	Formosa		336,646
Constantino Villanueva	Hongkong	10,000	
Coronado Timber Corp.	Japan		395,871
Davao Stevedores Terminal Co., Inc.	Japan		1,592,868
Dee Cho Lumber Co., Inc.	U. S. A.	90,000	
E. A. Luna Timber Trading	Japan		997,775
Findlay Millar Timber Co.	U. S. A.	220,000	
F. M. Triplitt	Japan		275,230
F. E. Zuellich, Inc.	U. S. A.	157,605	
General Enterprises, Inc.	U. S. A.	67,053	
Getz Bros. & Co.	Korea		4,302,235
Gonzalo Puyat & Sons, Inc.	Formosa	1,036,237	
G. S. Mañalac Enterprises	U. S. A.	300,997	
Henderson Trippe (Phil.), Inc.	Japan		250,119
Hercules Lumber Co., Inc.	Japan		1,675,000
Iligan Lumber Co., Inc.	Formosa		1,657,688
Insular Lumber	Japan	2,311,041	811,733
	U. S. A.	619,426	
	Africa	460,256	
	Canada	14,856	
	Hawaii	91,898	
	Belgium	84,594	
	Eire	67,062	
Johnston Lumber Company, Inc.	U. S. A.	72,822	
Lanao Timber Mills, Inc.	Japan		1,771,800
L. A. Johnson	Korea		700,125
Luis J. Reyes	Japan		1,020,813
Lupicinio V. Campos	U. S. A.	168,079	
Makiling Lumber Co., Ltd.	U. S. A.		14,784
Martha Lumber Mill, Inc.	Formosa		637,161
Misamis Lumber Co., Inc.	U. S. A.	1,000	
Nasipit Lumber Co., Inc.	U. S. A.		750,000
New Manila Lumber Co.	Japan		300,000
North Camarines Lumber Co., Inc.	Japan		1,050,000
Ralph W. Dempsey	U. S. A.	539,551	2,400,000
Sta. Clara Lumber Co., Inc.	U. S. A.		249,986
Sta. Ines Logging Enterprises	U. S. A.		2,042,491
Sanchez Logging Corp.	Japan		925,000
Standard Sawmill	Japan		1,196,640
Surigao Timber Co., Inc.	Japan		354,234
Taggart Sawmill Co., Inc.	U. S. A.	306,497	290,530
Teodoro C. Araneta	Hawaii	223,687	
Tirador Lumber Co.	Japan		275,113
UNO Import & Export Co.	Japan		270,000
Velderrama Lumber Mfrs. Co., Inc.	Japan		610,398
Valeriano C. Bueno	U. S. A.	136,516	
Western Basilian Timber, Inc.	Denmark		404,500
Western Mindanao Lumber Co., Inc.	Japan		770
Woodworks, Incorp.	Japan		749,496
Yearsley, Inc.	Japan		264,648
	Japan		500,000
	Korea		453,396
	Japan		1,050,928
	U. S. A.	142,000	
	Africa	111,958	
	Hongkong	101,000	
	U. S. A.	30,504	
Total		6,325,633	53,351,666

Resume of Exports to:

	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
Japan	—	40,324,261	40,324,261
United States and Canada	4,671,311	2,199,961	6,871,272
Other countries	1,654,322	10,827,444	12,481,766
Total	6,325,633	53,351,666	59,677,299

SUMMARY OF EXPORTS DURING JULY, 1954, ARRANGED BY COUNTRIES OF DESTINATION IN THE ORDER OF VOLUME OF SHIPMENT TO EACH COUNTRY

Countries of Destination	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
Japan	—	40,324,261	40,324,261
Korea	—	7,118,501	7,118,501
United States	4,656,455	2,094,541	6,750,996
Formosa	—	3,667,732	3,667,732
Hongkong	614,867	—	614,867
Africa	572,214	—	572,214
Hawaii	315,585	—	315,585
Canada	14,856	105,420	120,276
Belgium	84,594	—	84,594
Eire	67,062	—	67,062
Okinawa	—	23,441	23,441
Germany	—	10,000	10,000
Denmark	—	7,770	7,770
Totals	6,325,633	53,351,666	59,677,299

Trend of Exports to:

	This Month Lumber (Bd.Ft.)	This Month Logs (Bd.Ft.)	Month Ago Lumber (Bd.Ft.)	Month Ago Logs (Bd.Ft.)	Year Ago Lumber (Bd.Ft.)	Year Ago Logs (Bd.Ft.)
Japan	—	40,324,261	—	29,413,167	—	50,712,129
United States and Canada	4,671,311	3,199,961	3,119,676	3,146,518	3,864,096	2,123,549
Other countries	1,654,322	10,827,444	712,698	1,668,380	1,424,632	736,364
Total	6,325,633	53,351,666	3,832,374	34,228,065	5,288,728	53,572,042

Arrivals of logs and lumber in Manila during the month under review, July, 1954, aggregating 13,030,500 bd. ft., decreased by 1,711,257 bd. ft., as compared to arrivals during the previous month of 14,741,757 bd. ft.

The downward trend of lumber prices in the local wholesale trade continued unabated as white lauan, apitong, and red lauan scored another price decrease during the month under review, July, 1954, as compared with the prices of the previous month—from P145-P155 to P125-P140 for white lauan; from P150-P160 to P135-P140 for apitong; and from P175-P195 to P155-P170 for red lauan per 1000 bd. ft.

Mining

By HENRY A. BRIMO
President

Philippine Gold Producers Association, Inc.

THERE were no developments of more than passing interest to gold producers during the past month.

Production reflected little change from the respective averages of each producer, the gold price remained within a narrow range, and the industry still awaited news that the subsidy created by the Gold Emergency Law (Republic Act No. 1164) is about to start.

True, the Baguio Gold Mining Company set a new production record for the month of July, but by a margin

COMPARATIVE STATEMENT OF EXPORTS MADE TO DIFFERENT REGIONS OF THE UNITED STATES DURING THE MONTHS OF JUNE AND JULY, 1954

Period	Lumber in Board Feet					Logs in Board Feet					Grand Total
	Western States	Eastern States	Gulf States	All Others	Total	Western States	Eastern States	Gulf States	All Others	Total	
June, 1954	1,592,782	680,820	226,163	600,046	3,099,811	2,245,148	401,371	—	499,999	3,146,518	6,246,329
July, 1954	3,856,367	697,983	50,000	52,105	4,656,455	675,271	219,281	449,989	750,000	2,094,541	6,750,996
Difference (Increase +, Decrease -)	2,263,585 +	17,163 +	176,163 -	547,941 -	1,556,644 +	1,569,877 -	182,900 -	449,989 +	250,001 +	1,051,977 -	504,667 +

that raised no great expectations. Other producers, also during July, including base metals mines, kept their operations close to their recent monthly rates. The only noteworthy news of the month came from the Surigao Consolidated Mining Company, which announced it had resumed operation. This company will almost certainly be producing at full capacity before this article is published.

Actual gold sales, meanwhile, continued to fluctuate within the narrowest limits since the beginning of the Manila free market. July high and low prices were ₱110.30 and ₱109.10 respectively, while August high and low prices were ₱110.40 and ₱109.30 respectively (all prices are in pesos *per ounce, bullion*). While the steadiness of gold is generally attributed to the influence of the prospective subsidy, other factors are always at work, principally our national dollar balance, the balance-of-trade outlook, local business conditions, and import-licensing policies.

However, it is a fact that gold is presently selling at from ₱4 to ₱5 higher than in early May, or just before Republic Act No. 1164 was passed by the last Congress during its regular session, hence this gain can be directly attributed to the aforementioned Gold Emergency Act. And, while worry was previously widespread that the price would weaken if the subsidy were not immediately enacted, the fact is that such delay has by now been discounted because it is already common knowledge that the subsidy will be financed entirely by taxes paid by gold producers; taxes which have been piling up with each passing week. Under the circumstances, a firm gold price is generally assured with much less sensitivity to disturbing factors than heretofore. This is a blessing of no small proportion to gold producers.

Base metal producers, on the other hand, with the exception of our copper mines, while enjoying a much higher rate of advance over pre-war prices than gold producers, are understood to be considerably worried over the condition of the chrome market and future competition from iron-ore producers in Malaya.

The gold subsidy, after several delays, appears about ready to get under way. Recently President Magsaysay named the five members of the Agency created by Republic Act No. 1164 to supervise the actual purchase of gold, namely (and none need an introduction to our readers) the Honorable Salvador Araneta as Chairman, and Secretaries Hernandez and Adevosio, Governor Cuaderno, and Mr. Servillano Aquino as members. Mr. Benjamin M. Gozon,

Director of the Bureau of Mines, will serve as Executive Secretary to this Board.

It is understood that statisticians from the Central Bank as well as the Department of Finance have already completed their studies of the total taxes expected to be paid by gold producers and have already rendered their estimates and that the National Treasury is ready to advance the funds required to begin operations. Presumably, only a few rules and regulations remain to be ironed out. It will be interesting to see how the Manila free market reacts once the subsidy is actually under way.

Copra and Coconut Oil

By WILLIAM S. RICE, JR.

Copra Buyer, Philippine Manufacturing Company

THE market was easy throughout August and the month closed with prices at a new low for the year to date, following the widest price movement we have seen since May.

The availability of cheap palm kernels and palm-kernel oil, placed in the market by the British Ministry of Foods in liquidation of their inventories, was probably the most important factor in this decline because a portion of European copra demand was filled by this substitute source and there was consequently less European support for the copra market.

Other factors contributing to lower August prices were: (1) heavy copra production, (2) large quantities of unsold copra and coconut oil en route to American ports, (3) good Philippine selling-interest for immediate shipment to relieve the pressure of heavy warehouse stocks and continually increasing copra arrivals, and (4) announcement by the U.S. Department of Agriculture that it was soliciting export bids for 30,000 tons of surplus cottonseed oil.

Copra and Coconut Oil Prices

Copra:	High	Low	Close
West Coast, c.i.f. per short ton	\$167.50	\$153.00	\$153.00
Europe, c.i.f. per long ton,			
August-September	187.00	178.00	
September-October	183.00	173.00	173.00
Manila, fresh, 30-day delivery,			
rescada basis, per 100 kilos,			
at bodegas	₱30.25	₱27.00	₱27.00

Announcing

The Opening on September 15

of



601 A. Mabini Street
Ermita, Manila

EXCLUSIVE MANILA DISTRIBUTOR OF LEPANTO FABRICS—HANDWOVEN
AND OTHER PRODUCTS FROM THE MOUNTAIN PROVINCE

Coconut Oil:

West Coast, c.i.f. per pound,			
60 days	12-1/4¢	11-3/8¢	11-3/8¢
East Coast, c.i.f. per pound,			
60 days	13	12-1/8	12-1/8

Copra Cake and Meal Prices. European buying interest has continued active at levels above the American market, and good quantities were sold to Europe for September and October shipment. American consumers have displayed a lack of buying-interest in recent weeks, but the market is expected to improve as a result of an anticipated shortage following the Philippine exports to Europe.

Copra Statistics

PHILIPPINE COPRA AND COCONUT OIL EXPORTS
(In long tons)

Copra Exports	June	July	August
United States	25,481	26,887	35,117
Europe	33,100	33,150	35,200
Other countries	9,372	11,934	11,000
Total	67,953	71,971	81,317

Coconut Oil Exports	June	July
United States	4,157	5,823
Other countries	145	—
Total	4,302	5,823

MANILA AND CEBU COPRA ARRIVALS
(In metric tons)

	Manila		Cebu		Manila and Cebu		Percentage
	1954	1953	1954	1953	1954	1953	
January	13,038	8,448	15,490	12,682	28,528	21,130	135.9%
February	11,674	7,741	14,218	13,029	25,892	20,770	124.9%
March	10,356	6,897	14,170	17,991	24,526	24,888	98.5%
April	10,300	9,305	13,926	13,880	24,216	21,685	111.7%
May	14,529	9,202	19,307	10,164	33,836	19,366	174.7%
June	13,691	10,541	19,464	14,462	33,065	25,003	132.2%
July	17,578	13,620	23,889	18,182	41,467	31,692	130.4%
August	19,025	14,661	26,845	20,413	45,870	35,054	130.9%
Total	110,101	79,395	147,309	120,303	257,410	199,698	128.9%

PHILIPPINE AND INDOONESIAN COPRA EXPORTS
(In metric tons)

	Philippine Copra Exports*			Indonesian Copra Exports		
	1954	1953	1954/53	1954	1953	1954/53
January	53,992	41,025	131.6%	15,116	14,230	106.2%
February	58,879	38,672	152.3%	17,664	18,884	93.4%
March	60,919	50,168	121.4%	23,210	19,559	118.7%
April	55,951	48,745	114.8%	20,673	17,258	119.8%
May	65,249	36,536	178.6%	36,726	5,854	627.4%
June	75,978	48,144	157.8%	21,465	17,266	124.3%
July	82,513	64,359	128.2%	—	29,586	—
August	93,693	71,010	131.1%	—	—	—
Totals	546,574	398,659	137.1%			

*Includes coconut oil exports converted to copra.

Production and Future Prospects. Production continues good, but, with heavy loading schedules for September, there seems to be no reason to foresee excessive selling-pressure in the market. Also, the U.S. Department of Agriculture has reassuringly announced that it will avoid depressing world commodity markets through sales of its heavy surplus stocks. Therefore, further price declines are not expected.

Desiccated Coconut

By HOWARD R. HICK

President and General Manager
Peter Paul Philippine Corporation

THIS report covers the period from July 15 to August 15, 1954. During this time we enjoyed levelly low nut prices. The continued low level is quite unprecedented in the last few years and by all signs may continue for at least 6 to 8 weeks.

This fact plus general production increases in most factories to meet the seasonal fall buying of desiccated coconut in the American market, has led to slightly better



First in World-Wide Banking

Ours is an established reputation of 142 years standing ... for complete banking facilities, unparalleled resources and world-wide service furnished by 57 fully-staffed branches and correspondents in every commercially important city.

THE NATIONAL CITY BANK
OF NEW YORK

BRANCHES IN THE PHILIPPINES

MANILA

Main Branch: JUAN LUNA STREET

Port Area Branch: 13TH STREET

PAMPANGA: Clark Field

CEBU: Cebu City

than normal production for July and August, partly offsetting the bad start of the first quarter.

Regular level nut pricing has followed copra prices very closely and there has been almost a 100% parity between copra and raw nuts, which is unusual at this season.

The following statistics show the shipments for the month of July, 1954:

Shippers	Pounds
Franklin Baker Company	4,617,400
Blue Bar Coconut Company	1,329,320
Peter Paul Philippine Corporation	1,670,000
Red V Coconut Products, Ltd.	3,043,500
Sun Ripe Coconut Products, Inc.	703,800
Cooperative Coconut Products, Inc.	118,500
Total shipments	11,682,520

Sugar

By J. H. D'AUTHREAU
Philippine Sugar Association

THIS report covers the period August 1 to August 31, 1954.

New York Market. The downward trend of the previous two months has continued, with Philippines sold in fair volume down to 6.05%. The basic market factors accounting for this logical development remain unchanged: poor statistical position and refiners' continuing indifference to the widening disparity between the price of raws and refined. As to the first, rumors have circulated of petitions to the U.S. Department of Agriculture to reduce the quota by 100,000 tons but no official or even semi-official reaction to such proposal has been reported. As to the second, it must be assumed that refiners know their own business best. It has been confidently

reported in some quarters that refiners could be expected to support the raw market at some point, but in our opinion there is little incentive for them to do so in view of the basic statistical position. In the final analysis, the trend can only be arrested by the Department of Agriculture and relief may have to await the 1955 quota announcement in December next. Until then we expect the present trend to continue.

Reported sales of actuals totaled approximately 200,000 long tons, of which 131,000 tons were Philippines. Exchange operations for the period approximated 259,650 short tons. Deliveries of refined for the period July 26 to August 21 were 674,976 short tons, as compared with 783,313 for July and with 715,767 for August, 1953. Total deliveries for the year to August 21 were 5,177,779 short tons, as compared with 5,380,791 short tons on the same date in 1953. On August 28 refiners stocks were 268,883 long tons, as against 218,746 on the same date last year.

Arrivals from principal sources of supply are now subject to certification, and on August 26 the following open quota balances were announced:

Cuba	388,738 short tons
Puerto Rico	414,446 " "
Philippines	178,969 " "
Hawaii	394,422 " "

An unofficial report from a trade source reported the Philippine open-quota balance as of August 31 at approximately 40,000 short tons after deducting afloats and reported loadings up to September 15.

Opening and closing quotations on the No. 6 Contract were as follows:

	Sept.	Nov.	March	May	July
August 2	5.61¢	5.64¢	5.44¢	5.46¢	5.56¢
31	—	5.58	5.42	5.47	5.57

Average spot price for August was 5.586818¢.

Best known "family" in the Philippines!

PHILIPPINE MANUFACTURING COMPANY

Average spot price January 1 to August 31 was 5.627305¢.

It is reported that the American Federation of Labor union has conceded sufficient disputed ballots of the May 26 waterfront elections to ensure continuance of the old I.L.A. union as bargaining agent for the New York longshoremen.

Local Market. (a) Domestic Sugar. Business continues at a standstill, with quotations further reduced to the nominal figure of ₱9.50 per picul ex warehouse, despite the higher figure announced by the Bureau of Commerce. It is believed that some small holders are selling because of distress, but larger holders refuse to let go at this price, which is lower in many instances than the cost of production. On the other hand, retail prices remain unchanged. This situation presents the industry with a serious problem and suitable steps are being considered to remedy it. One suggestion has been the establishment of a single seller. The ideal solution would be to increase local sugar consumption by a reduction of retail prices, to net the producers a return of around ₱12.00/₱13.00 per picul.

Manila quotations for ex warehouse Manila as announced by the Bureau of Commerce were as follows:

	Export		Domestic			
	97°	98°	98°	99°	99°	99°
Aug. 4-Victorias.....	₱15.10					
Gaugua.....	15.00	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		
11-Victorias.....	₱15.00					
Gaugua.....	14.95	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		
18-Victorias.....	₱15.00					
Gaugua.....	14.95	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		
25-Victorias.....	₱15.00					
Gaugua.....	14.90	₱11.00-₱11.50	₱14.00-₱14.50	₱15.30-₱16.00		

(b) Export Sugar. Sellers are slow to readjust to the declining New York market and make it difficult for traders to operate. By their present attitude, holders are unwisely, we believe, assuming themselves the risk of market exposure. Current quotations have declined further to ₱41.95/₱15.00. There remain perhaps not more than

10,000 tons "free sugar" unsold, mostly in the few districts still milling.

Total export shipments for the month are estimated at 43,000 long tons, making a total of 806,887 tons against the 1953-54 crop, as compared with 654,642 up to the same date in 1953, and leaving a final balance for shipment of 43,113 long tons. Total Philippine arrivals in New York for the period January 1 to August 28, 1954, are recorded at 692,187 long tons, as against 583,014 long tons for the same period in 1953.

World Market. Opening and closing quotations were as follows:

	Spot	Sept.	Oct.	Jan.	Mar.	May	July
August 1....	3.17¢	3.13¢	3.12¢	3.18¢	3.16¢	3.15¢	3.18¢
31....	3.20	3.17	3.18	3.20	3.18	3.18	3.20

The slight recovery has been made possible by the Cuban decision to segregate 350,000 tons at the disposal of the Cuban Institute for sale only after final liquidation of all privately held "World Free" quota sugar. Whatever quantity thereof remains unsold on December 31, will revert to "World Free" quota, and a corresponding quantity will be deducted from the "World Free" quota to be produced in 1955. However, a quantity not exceeding the amount now segregated will be produced as a special-financed quota in 1955 if finally seen to be necessary. Spot at 3.20¢ is still, however, 5 points below the International Agreement goal of 3.25¢.

Exports from Cuba as of August 28 to the United States reportedly totalled 1,628,870 long tons, against 1,709,476 last year. Sales to other countries were estimated unofficially at 1,284,560 long tons, against approximately 2,000,000 in 1953.

In the Philippines, some confusion has developed in the marketing of the 20,500 metric tons thought to be covered by a barter arrangement with Japan. It is reported that the Miti have approved the barter on the ratio of 2.3

ENGINEERING EQUIPMENT & SUPPLY COMPANY, Inc.

MACHINERY • MECHANICAL SUPPLIES •
ENGINEERS • CONTRACTORS

AIR CONDITIONING

For Offices, Theatres, Hospitals, Stores,
Restaurants, Hotels, Clubs and Homes

★ ★ ★

Suppliers of

MACHINERY, EQUIPMENT and INDUSTRIAL
SUPPLIES

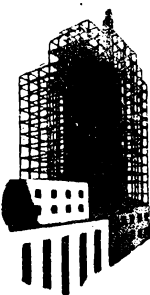
For Sugar Centrals, Mines, Sawmills, Power Plants,
Machine Shops and All Industrial Plants

★ ★ ★

ENGINEERING — DESIGN — APPLICATION — ESTIMATES
INSTALLATION — MAINTENANCE — SERVICE — REPAIRS

★ ★ ★

Operating:



General & Sales Office
174 M. de Comillas
Manila
Tel. 3-29-21

MACHINE SHOPS • STEEL PLATE SHOPS
STRUCTURAL STEEL SHOPS • WELDING
SHOPS • BLACKSMITH SHOPS • SHEET
METAL SHOPS • MARINE RAILWAY

Engineering Shops
No. 1 Calle L. Segura
& Pasig River
Mandaluyong, Rizal
Tel. 6-65-68

to 1, but the local authorities are reported to have approved a total of 13,000 tons only for export to date, including a barter against cement. Certain buyers are nevertheless quite keen and business has been closed as high as ₱14.00 per picul f.o.b. vessel, Philippine port.

Bell Trade Act Revision. The Revision Committee, appointed by President Magsaysay and headed by Senator Jose P. Laurel, has left Manila for Washington via Honolulu, where it was reported that the Committee would prepare a final draft of its proposals. The press has reported since then that these proposals will include a suggestion that the Philippine-United States export sugar quota be established on the basis of 15.41% of the United States domestic allotment, instead of the present fixed quota of 850,000 long tons, which represented 15.41% of the American consumption of approximately 5,500,000 tons as of 1934 when the Philippine quota was first established. The fundamental conception of trade under revised conditions which the Revision Committee will propose for adoption, is that of a "balanced and reciprocal free trade" between the two countries. Under this formula, it is reported that the Commission will also seek duty-free status for Philippine quota sugar. These proposals will be supported by evidence showing that since the acceptance of the provisions of the Bell Trade Act, the cost of production has risen considerably through increased taxation and through the introduction of minimum wage scales recommended by the Bell Commission itself. The best wishes for the success of this Mission were publicly extended to Senator Laurel prior to his departure by all elements of the Philippine economy.

1953-54 Milling. Twenty-one of the 25 Centrals have finished milling for the 1953-54 crop, with a total production of 1,210,710 short tons. Total production to date is estimated at 1,389,691 short tons. The Centrals still milling are estimated to produce an additional 45,484

short tons, or a total of 1,435,175 short tons for the whole crop. The average of juice purities to date is 83.91.

1954-55 Crop. A preliminary estimate of the 1954-55 crop, milling of which will start this month, is 1,400,000 short tons.

Manila Hemp

By FRANK P. HILL
Vice-President and General Manager
Macleod and Company of Philippines

DURING August the long decline in prices, which began early in the year, was arrested. Renewed interest in Europe, the United Kingdom, and Japan appeared to be responsible. There was still little buying interest in the United States, although fairly substantial purchases of Central American abaca were reported.

In New York at the beginning of the month Davao machine-cleaned offerings were as follows:

DA/J1	16-3/8¢ per lb. c.i.f.
DA/G	15¢ per lb. c.i.f.

On August 18, quotations for those grades were:

DA/J1	14-3/4¢ per lb. c.i.f.
DA/G	14¢ per lb. c.i.f.

Other grades declined proportionately, but there was little interest from buyers even at lower prices.

The market became steadier about August 20 and the trend was reversed from that date to the end of the month, with Davao J1 quoted at 15-7/8¢ on August 31.

Prices in London and Japan declined in the same way and were back at month's end to opening quotations.

Despite apparent short supply of loose fiber in most districts, it is not believed that prices will advance much further for the present.

The usual statistics follow:

INSULAR LUMBER COMPANY

FABRICA, OCC. NEGROS

MEMBER — PHILIPPINE LUMBER PRODUCERS' ASSOCIATION, INC.



SPECIALISTS IN KILN-DRIED LUMBER

and

MANUFACTURERS OF BOXES OF ALL DESCRIPTIONS

MANILA DISTRIBUTORS:
Norton & Harrison Company
814 Echague
Manila

Philippine Lumber Manufacturing
Company
14-30 Soler St.
Manila

Insular Saw Mill, Inc.
340 Canonigo, Paco
Manila

MANILA OFFICE: 603 FILIPINAS BUILDING

WORLD-FAMOUS NAMES IN MACHINERY

Represented by **SMITH, BELL & CO., LTD.**

BUFFALO Truck Scales
C. A. V. Fuel Injection Equipment
COCHRAN Boilers
COVENTRY VICTOR Diesel Engines
CROSSLEY Diesel Engines
VICTORIA Milling Machines, Dividing Heads & Vises
ALBA & INVICTA Shapers
CARDIFF Lathes and "Punching & Shearing" Machines
PROGRESS Drilling Machines
EXCEL & MILFORD Grinding Machines
VELOX Hacksawing Machines
BELCO Lathe Chucks
SAMSON Shearing Machines
SELECTA Grinders and Portable Drills
FAIRBAIRN, LAWSON, COMBE, BARBOUR LTD.
 (Jute Mill Machinery)
GRANTEX Rice Hullers and Polishers
HARDY PICK Devil Disintegrators
HOBART Arc Welders, Welding Rods & Welding Accessories
LEE HOWL Pumps
PUROX Oxy-Acetylene Welding & Cutting Outfits
OXWELD Oxy-Acetylene Welding Rods & Fluxes
SHOPSMITH "5-in-1" Woodworking Machine Tools
MARSHALLTOWN Gauges
MATHER & PLATT's Textile Machinery
MONO Pumps
M.G.C. Battery Chargers
McGREGOR & BALFOUR, LTD.
 (Jute Mill Supplies)
EDWARD PARKER & CO., LTD.
 (Leather Belting)
J. H. SANKEY's Firebricks & Refractory Cements
BIJOLI Hemp Presses
TIGER BRAND Wire Rope
URQUHART LINDSAY & ROBERTSON ORCHAR, LTD. (Sugar & Jute Mill Machinery)

For complete sales information, write:

Exclusive Distributors in the Philippines

Smith, Bell & Co., Ltd.

MACHINERY DEPARTMENT

101-13th St. Corner Boston, Port Area, Manila

Tel. 2-51-51

BRANCH OFFICES: CEBU • ILOILO • BACOLOD • LEGASPI • DAVAO

	BALINGS—JANUARY/JULY INCLUSIVE				
	1954	1953	1952	1951	1950
Davao.....	281,193	302,629	316,719	298,682	200,611
Albay / Camarines / Sorsogon.....	71,011	122,532	100,408	168,289	99,917
Leyte/Samar.....	74,115	64,815	78,846	108,273	66,641
All others.....	50,136	58,915	50,250	63,091	46,019
Total.....	476,455	548,891	546,223	638,335	413,008

	EXPORTS—JANUARY/JULY INCLUSIVE				
	1954	1953	1952	1951	1950
United States and Canada.....	108,063	195,783	202,187	395,171	194,575
Continent of Eu- rope.....	108,146	114,592	96,726	103,450	71,213
United Kingdom.....	74,040	68,333	55,835	111,240	44,599
Japan.....	108,239	137,224	76,582	72,333	55,105
South Africa.....	5,370	5,820	6,350	11,243	3,675
China.....	2,695	1,445	5,038	2,845	8,491
India.....	4,791	4,940	3,300	4,032	3,930
Korea.....	17,290	1,580	—	—	3,100
Australia and New Zealand.....	6,264	1,900	950	1,300	625
Others.....	4,492	570	160	—	—
Total.....	439,390	532,187	447,128	701,614	385,313

Tobacco

By RICARDO PADILLA SATRUSTEGUI

Cia. Tabacalera

NATIVE Tobacco. Buyers of native tobacco were very active during the month of August, due especially to the small harvest this year, seedlings and young plants having suffered heavy damage from floods and typhoons.

About the middle of the month, it was possible to make a closer estimate of this year's crop, the smallest since Liberation,—only 293,000 quintals, distributed by region as follows:

Cagayan Valley.....	126,000 qts.
Igorot Region comprising La Union, Pangasi- nan, and Ilocos.....	107,000 "
Visayas.....	60,000 "

Prices were the highest since the war because of alarming rumors of a great demand. Prices skyrocketed to ₱42 in Cagayan and ₱46 in San Mariano. Due to the fact that tobacco from the Cagayan is cheaper than that from Isabela, and some buyers cannot pay the high prices of the latter, all the Cagayan stocks were depleted within 4 days, which is a record difficult to beat. Sales in the province of Isabela were the highest. In Margartungut ₱55 was paid per quintal; the average price paid in Isabela, however, was ₱43. Prices in La Union, Pangasinan, and Ilocos were as follows:

	(Classes.....	₱ 40
La Union.....	(4.a a 6.a.....	35
	(Llovido.....	30
	("Largo".....	33
Pangasinan.....	("Mediano".....	26
	("Corto".....	23
	("Largo".....	25
Ilocos.....	("Corto".....	20

In the Visayan region: From ₱18 to ₱22 per quintal.

Virginia Tobacco. The new law limiting the importation of Virginia tobacco will favor to a big extent the cultivation of local Virginia, which is calculated to yield about 5,000,000 pounds a year. Secretary of Agriculture Salvador Araneta spoke, in a lecture a few days ago, of the necessity of increasing the area devoted to the cultivation of Virginia type tobacco by at least 30,000 hectares in order to meet the demands of the local market. The theory is that the Philippines should not use its dollar reserves to buy imported Virginia from the United States when something similar can be grown here. However, local experts in the La Union region hope that Virginia will be planted far away from the native tobacco plantations

as pollen from the Virginia plants produces a more yellowish color in the native tobacco. La Union tobacco especially is very much appreciated abroad, and with a mixture of Virginia, it might lose some of its burning qualities.

One of the principal difficulties in cultivating Virginia tobacco is obtaining genuine seed. Most Virginia-growing States in America prohibit the exportation of their seed. Local seed tends to affect the native tobacco for the reason stated.

Prices of local Virginia were rated at ₱1.80 to ₱2.60 per kilo for the highest quality, and from ₱1.60 to ₱2.00 per kilo for the lower quality. Local manufacturers claim that some of the local Virginia is good, but that not enough time is given to maturing it. In the United States it is considered that the ideal time between planting and manufacturing is three years, while in the Philippines, tobacco of this year's crop will be used immediately by the factories.

Cigar and Cigarette Factories. Local factories are very much alarmed over the increase in "colorum" (illegal) cigarettes which are sold in many provinces without internal revenue stamps, making for a stiff competition for legal factories which pay all the taxes. In several provinces, even those near to Manila, such as Batangas, "colorum" cigarettes are being sold without any apparent interference by the proper authorities. Some factories are called "50/50 colorum", that is, they sell some of their products with stamps in the city of Manila (where there is a certain vigilance) and the "colorum" in the provinces. The estimated loss to the Government is figured at about ₱28,000,000 annually.

Rice

By CHARLES O. HOUSTON, JR.

Director, Graduate School, University of Manila

THE month of August opened with characteristic vigorous action by President Magsaysay when he ordered the Philippine Constabulary to be used in a campaign against rice profiteers and hoarders. At the same time he requested legal advice as to whether or not he could fix and enforce low prices for this commodity. This move was prompted by the quite evident failure of the NARIC and the PRISCO to halt the rapidly rising prices throughout the nation noted during July (see this column in the July issue of the *Journal*). A day following, the President castigated Juan O. Chioco, manager of NARIC, for the situation in connection with the so-called "rotten rice" purchase (which was hinted at in our column for July), in which some 32,000 tons of edible rice, classified as "rotten", had been sold by the NARIC to the Farm Implements and Machinery Co., at a great financial loss to the Government. The *Bulletin* in its editorial for August 5, entitled "A National Conspiracy", echoing this column's observation, in July, stated that mis-management and hoarding is practiced by a large number of people including "men of substance and influence". This observer, as well as journalists who have become increasingly concerned over the situation, have been reluctant to pinpoint responsibility and it was only on September 7, that what many have believed might be the case appeared in the local press (see *Manila Times* article, col. 3) which reported the indignation of the President "over the alleged attempts of certain members of the NARIC board of directors to sabotage his efforts..." and "who have deliberately abetted rice profiteers and speculators... by delaying action..." The press also stated that it was reported that the President was ready to dismiss "particularly those NARIC board members who are large landowners' and have been known also as big rice producers".

Replying to criticism, several officials, as reported in the *Bulletin* (August 6 article, col. 4), attempted to shift the blame to the Budget Commissioner for refusing

PACIFIC MERCHANDISING CORPORATION

449 Dasmariñas

Manila

AMERICAN RADIATOR & STANDARD
SANITARY CORPORATION
AMERICAN VALVE COMPANY
AMES BALDWIN WYOMING COMPANY
BADGER METER MANUFACTURING CO.
BADGER FIRE EXTINGUISHER CO.
BALL BROS. MASON JARS
BOMMER SPRING HINGE COMPANY
CAPEWELL MANUFACTURING CO.
CARBORUNDUM COMPANY
COLUMBUS COATED FABRICS CORP.
COLUMBIAN VISE & MFG. CO.
CORBIN LOCK COMPANY
DICK BROTHERS MANUFACTURING CO.
EKCO PRODUCTS CO.
GREAT NECK SAW CO.
JACOBS MANUFACTURING CO.
KEENEY MANUFACTURING COMPANY
MALLEABLE IRON FITTINGS CO.
NORTH WAYNE TOOL COMPANY
PABCO PRODUCTS, INC.
"Pabco" Products
R. E. DIETZ COMPANY
RADIUS AKTIEBOLAGET
SLOAN VALVE COMPANY
SOLARINE COMPANY
TEMPLETON KENLY JACK CO.
UNION CARBIDE & CARBON CORP.
National Carbon Division
"Eveready" flashlights & batteries
Linde Air Products Division
"Union" Carbide
"Oxweld" Welding Rods, Supplies and
Generators
"Prest-o-Weld" Welding and Cutting
Apparatus
UNITED STATES STEEL EXPORT CORP.



STEEL PRODUCTS
HOUSE FURNISHINGS
GENERAL HARDWARE
PLUMBING

The
SECURITY DELIVERY SERVICE
INC.

MEMBER OF

The American Chamber of Commerce of the
Philippines, Inc.

Philippine Safety Council, Inc.

ANNOUNCES THE EXPANSION

of the Armored Car Dept. of its Service, as well as
the continuation of its Provincial Airdrops

—NOW SERVING—

SIX MINING COMPANIES
TWO LARGE UTILITIES
TWO CONSTRUCTION PROJECTS
TWO LARGE COMMERCIAL FIRMS
ONE PROMINENT BANK
ONE LUMBER COMPANY

—WE SELL RELIABILITY—

613 M. H. Del Pilar

Telephone 5-63-90

"to release the funds needed for a newly authorized price enforcement agency",—patently incorrect in view of the legislation and authority granted in the past for this activity. One official was reported to have stated that Aytona was reluctant to release funds for this agency because "this was useless",—an observation completely justified in the light of past efforts along this line.

The investigation, throughout the month, of the activities of the NARIC (whose abolition was recommended by former director Belmonte), revealed a situation not likely to enhance its reputation in the eyes of the consuming public and, to complicate matters, the month saw also severe criticism directed against the ACCFA for alleged failures in the provinces where rice stocks were being bought up by NARIC in a vain effort to lower the price in large consuming areas, leaving few enough stocks needed for producing areas which were hard-hit by the severe drought that continued throughout much of the month. The President established new ceiling prices (70¢ per ganta, wholesale, imported, macan equivalent, NARIC old stock, remilled; 75¢ per ganta, retail) on August 10, after receiving a list of alleged hoarders who were holding some 3,500 cavans (or about 1/4 of the monthly Manila consumption).

Each week during the month saw an increase in price: The first week was marked by an increase in all varieties (except 2nd class wagwag and stocks from Davao), ranging from 10¢ to 50¢ per sack, macan *palay* increasing by 70¢ (to ₱9.70,—44 kilos), and wagwag *palay* increasing by the same amount to ₱11.70. The second week saw increases in all varieties (except Thailand and 1st and 2nd macan) ranging from 10¢ to ₱1.00 per sack, with macan 2nd class being unquoted on the market (with stocks apparently being held by millers who were reluctant to release them in the face of ceiling prices). This Thailand rice is generally considered by dealers as 2nd class macan, and was sold at this time at a loss of 20¢ per sack (₱18.40-₱19.30). The third week saw an increase in the old crop ranging from 50¢ to ₱1.00, per sack, which caused the new crop (from Davao and Cotabato) to follow this level, ranging from 5¢ to 30¢ per sack (for macan and wagwag, elonelon being absent from the market). During this third week, President Magsaysay ordered the immediate sale of 2,600 tons of edible rice selected from the old imported stocks in NARIC bodegas at a wholesale price of 55¢, and retail price of 60¢, per ganta; he ordered also the use of the facilities of the PRISCO to distribute this rice in the provinces, where prices soared to an alarming degree during that week and the last week of the month (especially in the Bicol, the Ilokos region, Isabela, some eastern Visayan regions, and southern Luzon). Despite this move, prices continued their rise, and by the first of September had reached calamity proportions, causing the President to issue a proclamation declaring the existence of a calamity in Negros on September 3 and to direct the Constabulary to take stern steps in that province to meet the situation.

The drought suffered by rice-producing regions throughout the month was one of the most severe in recent years and may have exerted an inflating pressure on prices, which rose the sharpest in provincial centers. By September 5, the price of *ordinario* *palay*, in Nueva Vizcaya, had reached ₱11.00, a rise of ₱1.30 in one month, and, in areas where "Magsaysay rice" was as yet unavailable, retail prices of first class macan had reached ₱1.10-₱1.15. Elonelon and first-class wagwag were absent from the market.

The effects of this drought upon futures will be severe. Planting took place extraordinarily late (in non-irrigated sections), which will mean a delayed appearance of the first crop for 1954-55, and will undoubtedly mean a shorter crop than the previous year. This increases the danger to the crop from late typhoons, since major producing areas fall in the zone of 16% to 32% typhoon-frequency (the greater percentage of which occur during the months of October and November—78 out of 123 major typhoons

SERVICE with SATISFACTION

CUSTOMS BROKERS

WAREHOUSEMEN

TRUCKING

PACKING & CRATING

FREIGHT FORWARDING

SHIP HUSBANDING

CARGO SUPERINTENDENCE

AIR CARGO AGENTS

TRAVEL AGENTS

FIELD WAREHOUSING

LUZON BROKERAGE COMPANY

Derham Bldg.
Port Area

Cables:
LUBROCOIN

Telephone:
3-34-31

between 1903-1934 occurring in the months August-November). If the "unusual" weather characteristic of 1954 continues, perhaps the farmers will be spared the disaster attendant upon these typhoons, but certainly importation of stocks will be necessary and this will have to achieve a fine balance between need on one hand and danger to price levels for local producers on the other. It would seem, therefore, that a high level of prices can be expected for the remainder of the year.

This column repeats its recommendations of July and adds an additional one: the pump irrigation program of PHILCUSA should be accelerated even beyond the goals already established.

RICE PRICES (Per sack-55 kilos)

Week of:	Aug. 2-7	Aug. 9-14	Aug. 16-21	Aug. 28
Macan:	o. c.	o. c.	o. c.	Unquoted (P11.00) r.
1st class:	20.00-21.00	20.50-21.00	20.50-21.50	Unquoted
2nd class:	19.50-20.50	20.00-21.00	Unquoted	"
		19.50 20.50	19.50-20.50	"

Elonelon	22.50-23.00	22.50-23.50	23.00-Unq.	Unquoted (but rising)
2nd class:	21.50-22.50	22.00-23.00	22.50-Unq.	"

Wagwad	23.00-24.00	23.00-25.00	24.00-26.00	26.00-27.00
1st class:	22.00-23.00	22.00-24.00	23.00-25.00	25.00-26.00
2nd class:	21.00-22.00	21.00-22.80	21.00-23.00	23.00-24.50
Cotabato:	unq.	23.00-23.50	23.00-24.00	24.50-25.00

Week of Aug. 2-7:	This week	Week Ago	Month Ago	Year Ago
Macan:	1st class: 20.00-21.00	19.50-20.50	19.20-19.50	18.80-19.30
	2nd class: 19.50-20.50	19.00-20.00	18.80-19.10	18.30-18.80
(Palay—Ordin.):	9.00-9.70	9.00	8.50 9.00	8.50-8.80

Week of Aug. 9-14:	20.50-21.00	20.00-21.00	19.20-19.50	18.50-19.30
Macan:	1st class: 20.00-20.50	19.50-20.50	18.80-19.10	18.00-18.80
(Palay—Ordin.):	9.70	9.00	8.50-9.00	8.80

Week of Aug. 16-21:	20.50-21.50	20.50-21.00	19.20-19.50	18.80-19.30
Macan:	1st class: 20.50-21.50	20.00-20.50	18.80-19.10	18.30-18.80
(Palay—Ordin.):	unquoted	9.70	9.00	8.50-8.80

Aug. 28:	unquoted	21.00-21.50	19.50-20.00	18.80-19.30
(Palay—Ordin.):	9.70-11.00	9.70	9.00	8.50-8.80

RICE and PALAY (Per ganta)					
Week of Aug. 2-7:	Week Ago	Month Ago	Year Ago	Pre-war (1941)	
Macan:	1st class: .95	.93	.90	.93	.29
	2nd class: .90	.88	.85	.85	.29
Wagwad:	1st class: 1.15	1.15	1.15	1.20	.32
	2nd class: 1.07	1.05	1.05	1.10	.31
Elonelon:	1st class: 1.06	1.03	1.03	1.08	.31
	2nd class: 1.05	.98	.98	1.03	.30
Palay (Ordin.):	.48	.48	.48	.55	.12

Week of Aug. 9-14:	.95	.95	.93	.93	.29
Macan:	1st class: .90	.90	.88	.85	.28

Week of Aug. 16-21:	.95	.95	.93	.93	.29
Macan:	1st class: unq.	.90	.88	.85	.28

Week of Aug. 28:	(1.00-1.10)	(.50-.55) r.
Palay (Ordin.):		

Week of Aug. 2-7:	Week Ago	Month Ago	Year Ago	Pre-war (1941)
Macan:	1st class: .95	.93	.90	.93
	2nd class: .90	.88	.85	.85
Wagwad:	1st class: 1.15	1.15	1.15	1.20
	2nd class: 1.08	1.08	1.05	1.10
Elonelon:	1st class: 1.08	1.08	1.03	1.08
	2nd class: 1.03	1.03	.98	1.03
Palay (Ordin.):	.48	.48	.48	.55

Week of Aug. 9-14:	.95	.95	.93	.93
Macan:	1st class: unq.	.90	.88	.85

Week of Aug. 16-21:	.95	.95	.93	.93
Macan:	1st class: unq.	.90	.88	.85

Week of Aug. 28:	(1.00-1.10)	(.50-.55) r.
Palay (Ordin.):		

NOTE:
Each cavan of palay weighs 44 kilos.
Each cavan of rice weighs 56 kilos.
"r" stands for "rising".
"o" means "opening".
"c" means "closing".
"Unq." means "unquoted" and indicates that the item was not carried in market quotations because of either uncertain supply or absence of supply) or that prices were rising so rapidly they could not be averaged.

All quotations are based upon weighted averages (from a distribution pattern) and in some areas and in some markets (even in Manila) will be at variance with actual prices quoted by sellers. The so-called "Wagwagayay rice" (selling at 60 per ganta) is not included in these quotations, since it is released only at the NARC center.

Figures in parentheses are those secured by the writer (as of September 5) from local division markets and from provincial sources.
"Ordinary" when used with "palay" indicates the classification of the raw rice as it is generally sold.

LET'S BRING
OUT ALL THE
BEAUTIFUL
TONES AND
TINTS IN —



YOUR

1955 Calendar

We specialize in color work
thru letterpress, and our
rates are down to a new low!



★
Ask for a salesman
to see you.

McCULLOUGH PRINTING CO.

Letterpress Pace-Setters for 55 Years
(A DIVISION OF PHILIPPINE EDUCATION CO.)
1104 Castillejos, Manila • Tel. 3-22-51

AMERICAN FLAGS

Size 3 ft. x 5 ft.

Made of High Grade

Wool Bunting

★
Manufactured by

ANNIN & CO., New York

To be sold at a sacrifice price

★
Inquire

J. P. HEILBRONN CO.

(Established 1909)

PIONEER PAPER DEALERS IN THE PHILIPPINES

575 Atlanta St., Port Area
Manila

Tels. } 3-36-17
} 3-36-18

Old Gold

CIGARETTES



50¢

PER
PACK

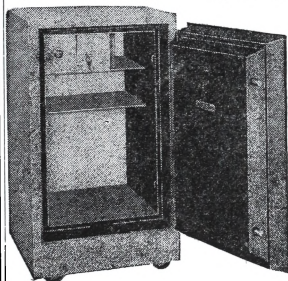
For
a
TREAT
instead
of a
TREATMENT

REG. PHIL. PAT. OFF.

P. LORILLARD CO.

ESTABLISHED 1760, U. S. A.

PECO SAFES



BUILT BY THE
MAKERS OF
"PROTECTAL"
SAFES

★

Reliable Safes—At Moderate Prices

- Of high tensile steel, completely insulated for resistance to fire up to 1700°F. for one hour.
- Underwriters' "C" Label.
- Fine quality heavy duty, precision made combination lock.
- Modern. Streamlined. Concealed heavy-duty casters.
- Various sizes. Spacious, efficient interior arrangements.

1104 Castillejos
Manila

PHILIPPINE EDUCATION CO.

Telephone
3 22 51

Imports

By S. SCHMELKES
Mercantile, Inc.

ALL figures are in kilos with the exception of those for foodstuffs which are given in package units.

Commodities:	July, 1954	July, 1953
Automotive (Total).....	2,594,664	1,796,942
Automobiles.....	355,009	260,223
Auto Accessories.....	11,003	8,505
Auto Parts.....	623,526	230,834
Bicycles.....	4,145	3,863
Trucks.....	143,489	200,752
Truck Chassis.....	722,017	688,546
Truck Parts.....	117,772	64,368
Building Materials (Total).....	18,013,123	3,862,071
Board, Fibre.....	—	166,915
Cement.....	13,907,731	47,810
Glass, Window.....	674,537	287,456
Gypsum.....	—	—
Chemicals (Total).....	5,153,271	9,321,063
Caustic Soda.....	776,377	545,310
Explosives (Total).....	—	154,745
Firearms (Total).....	8,865	14,366
Ammunition.....	3,835	13,047
Hardware (Total).....	6,808,397	6,809,221
Household (Total).....	738,712	2,045,454
Machinery (Total).....	1,976,769	2,860,747
Metals (Total).....	9,854,579	9,105,225
Petroleum Products (Total).....	129,618,600	90,466,703
Radios (Total).....	55,223	48,278
Rubber Goods (Total).....	658,150	1,188,858

Beverages, Misc. Alcoholic.....	2,770	6,173
Foodstuffs, Total Kilos.....	19,559,762	31,566,944
Foodstuffs, Fresh (Total).....	39,511	49,609
Apples.....	2,966	1,450
Oranges.....	7,616	20,885
Onions.....	452	3,000
Potatoes.....	3,265	8,529
Foodstuffs, Dry Packaged (Total).....	25,670	43,743
Foodstuffs, Canned (Total).....	375,716	530,100
Sardines.....	24,802	3,942
Milk, Evaporated.....	180,916	239,438
Milk, Condensed.....	31,432	23,081
Foodstuffs, Bulk (Total).....	350,600	591,585
Rice.....	—	—
Wheat Flour.....	318,163	549,302
Foodstuffs, Preserved (Total).....	1,500	1,553

Bottling, Misc. (Total).....	1,235,408	1,584,071
Cleansing and Laundry (Total).....	42,534	229,419
Entertainment Equipment (Total).....	1,999	2,224
Livestock-bulbs-seeds (Total).....	2,931	364,532
Medical (Total).....	662,092	817,873
Musical (Total).....	39,518	59,379
Office Equipment (Total).....	91,378	92,073

INSURANCE

FIRE—MARINE—CASUALTY

FIDELITY and SURETY BONDS

ATLAS ASSURANCE CO. LTD. THE EMPLOYERS' LIABILITY
CONTINENTAL INSURANCE CO. ASSURANCE CORPORATION Ltd.

LAW UNION & ROCK INSURANCE CO. LTD.
INSURANCE COMPANY OF NORTH AMERICA
FILIPINAS COMPANIA DE SEGUROS

E. E. ELSER, Inc.

GENERAL AGENTS

Tel. 3-93-58 & 3-27-72—518-520 Ayala Bldg., Manila—Cable "ELSINC"

Office Supplies (Total)	31,929	45,113
Paper (Total)	4,743,161	8,809,261
Photographic (Total)	29,786	70,460
Raw Materials (Total)	893,206	4,138,957
Sporting Goods (Total)	18,311	32,709
Stationery (Total)	178,685	443,715
Tobacco (Total)	1,133,434	1,650,577
Chucheria (Total)	61,521	90,629
Clothing Apparel (Total)	187,112	689,437
Cosmetic (Total)	8,363	71,380
Fabrics (Total)	245,634	613,123
Jewelry (Total)	463	—
Leather (Total)	228,265	189,441
Textiles (Total)	3,116,970	4,335,773
Twine (Total)	50,385	95,114
Toys (Total)	14,030	28,933
General Merchandise (Total)	856,805	927,673
Non-Commercial Shipments (Total)	10,553	132,519
Advertising Materials, Etc. (Total)	977,139	9,587

Food Products

By C. G. HERDMAN

Vice-President, Marsman & Company, Inc.

THE Act eliminating wheat flour imports from the payment of the 17% exchange tax passed by Congress in special session in July, contains a clause that the elimination of this tax on flour will not become effective until especially implemented by the President. As yet the President has not taken the necessary action and wheat flour continues to be subject to the payment of the exchange tax. It is hoped that the President will take prompt action on this matter as otherwise flour importers will be faced with considerable losses.

In the belief that the Act would be promptly implemented, importers have not been taking the 17% exchange tax into account and including it in their cost when selling flour they have imported. Prices ruling on flour in the local market are well below the actual landed cost if the 17% exchange tax is included.

Stocks in the hands of importers and wholesalers of practically all food product staples are in very ample supply. During recent weeks, there have been considerable arrivals of wheat flour, canned milk of all varieties, canned meats, and canned fish.

Stocks continue to be quite low on imported canned fruits and vegetables, also imported fresh fruits and vegetables.

Retailers throughout the Philippines are complaining of poor sales. Prices of copra and abaca for export have dropped still further. At the same time the quantities of the exports have dropped considerably in volume, and it is very evident that the purchasing power of the people in general throughout the country is now lower than it has been for some time past.

MOTOR SERVICE CO., INC.

AUTOMOTIVE PARTS • ACCESSORIES

GARAGE & SHOP EQUIPMENT

BATTERIES • TIRES • TUBES

230 13th St., Port Area

Tel. 3-36-21

NEW

AND

Beautiful

—TO SEE
—TO TOUCH
—TO OPERATE



Modern in design, the MARCHANT is the only American calculator with dials for checking keyboard entries. Its low-luster finish eliminates reflections causing eye fatigue. With key action twice as light as before, its keys and controls respond to the slightest touch. The MARCHANT is unmatched in accuracy control, simplicity, speed, and silence.

MARCHANT
CALCULATOR

ERLANGER & GALINGER, INC.

123 T. Pinpin off Escolta

Tel. 3-21-61

Caterpillar
Registered Trademark

DOES ITS SHARE!

DIESEL ENGINES • TRACTORS
MOTOR GRADERS • EARTHMOVING EQUIPMENT

Staunchly dependable, yellow-painted CATERPILLAR Machines do a full share . . . in agriculture, logging, mining, road-building! All over the Islands, CATERPILLAR Machines set standards of achievement . . . so as to hasten progress, make possible prosperity and give tangible substance to the inspiration of new leadership.



KOPPEL (PHILIPPINES), INC.

Philippine Representatives for Pressed Steel Car Co., Inc.
BOSTON & 23rd Sts., PORT AREA, MANILA Tel. 3-37-53

Branches: BACOLOD • ILOILO • CEBU • DAVAO • ZAMBOANGA
DADIANGAS, COTABATO • CAGAYAN DE ORO CITY

Dealers at: San Fernando, Pamp., Cabañatuan City, Tuguegarao, Cag



LUZON STEVEDORING COMPANY, INC.

Marine Construction and Repairs,
Salvage Contractors, Lighters,
Towboats, Waterboats,
Ship-Chandlers and
Provisioners.



P. O. Box 582
Manila, Philippines

Cable Address:
"LUSTEVECO"

NEUSS, HESSLEIN & CO., INC.

75 WORTH ST., NEW YORK, N.Y.

FOREMOST SUPPLIERS OF TEXTILE
FABRICS THROUGHOUT THE WORLD

for 86 years
and

FOREMOST SUPPLIERS OF TEXTILES
TO THE PHILIPPINES FOR 51 YEARS.



- FAUST STRIPED DENIMS
- FLATTERY PRINTS
- WALDORF PERCALES
- SEINE TWINE & YARNS
- AGUILA DENIMS
- CARABELA CHAMBRAYS
- COMMANDER BROADCLOTH
- COTTON & RAYON POUND-GOODS

MANILA OFFICE:

304 NUEVA STREET CORNER
DASMARIÑAS
PHONE 3-99-71

MANILA
Cable Address "NEHESCO"

Textiles

By A. MARCOLLES
Acting General Manager
Neuss, Hesslein Co., Inc.

DURING August the textile market has continued to show reduced activity, with movement of goods still limited by the restriction of credit facilities. Prices have remained steady with the exception of small gains in articles in short supply.

The New York market has maintained the steadily firm tendency experienced for the last several months, and in some sections small advances have taken place. The mills producing denims and twills have advanced their prices and print cloths have also gained slightly and are on a firm tendency. Yarns have also experienced some increases.

The first official estimate of the 1954/55 cotton crop forecasts a substantial decrease on last year's performance, but the carry-over from last year will compensate for the prospective decrease and there will be ample supplies to take care of the domestic consumption and export needs, plus a carry-over into the next crop. Spot cotton prices have maintained a regular level and little fluctuation is envisaged in the near future.

Arrivals from the United States during August totalled 14,129 packages, of which 5,178 were cotton piece goods; 1,520 rayon piece goods; 1,944 cotton pound goods; 1,060 rayon pound goods, and 3,000 yarns.

Arrivals from other sources totalled 5,024 packages, of which 2,618 came from Japan, 1,693 from Hongkong, and 713 from Europe.

The total volume of arrivals shows a marked decrease as compared to preceding months, particularly in cotton piece goods, in which category are the most essential and popular articles. Market stocks in this section are rather limited.

The volume of inquiry for future business has improved somewhat, with the need to book now for arrivals in time for the Christmas season.

Legislation, Executive Orders, and Court Decisions

By EWALD E. SELPH
Ross, Selph, Carrascoso & Janda

THE Bills passed by both Houses during the Special Session of the Third Congress (July 19 to August 3, 1954) have now become Republic Acts as follows:

H. No. 1439—An Act to provide for the civil defense in time of war or other national emergency, and creating a National Civil Defense Administration, is now Republic Act No. 1190, approved August 18, 1954.

H. No. 2060—An Act to create the Bureau of Public Highways, and abolish the Division of Highways of the Bureau of Public Works, is now Republic Act No. 1192, approved August 25, 1954.

PICORNELL, ORTIGAS & CO.

INVESTMENT BROKERS, DEALERS & UNDERWRITERS

MEMBERS
MANILA STOCK EXCHANGE

201 AYALA BLDG.
MANILA

H. No. 2165—An Act to amend Republic Act Numbered Six hundred ninety-eight, entitled, "An Act to limit the importation of foreign leaf tobacco," is now Republic Act No. 1194, approved August 25, 1954.

H. No. 2381—An Act appropriating funds for public works and amending Republic Act Numbered Nine hundred and twenty, is now Republic Act No. 1200, approved September 2, 1954.

H. No. 2398—An Act to govern the relations between landholders and tenants of agricultural lands, is now Republic Act No. 1199, approved August 30, 1954.

H. No. 2512—An Act allowing the expenditure during the period from January first to June thirty, nineteen hundred and fifty-four, of the income accruing to the general, special, trust, and other funds in the Philippine Treasury during the same period, is now Republic Act No. 1193, approved August 25, 1954.

H. No. 2553—An Act to amend and repeal certain sections of Republic Act Numbered Four hundred nine known as the Revised Charter of City of Manila, providing for more Fiscals and more Municipal Judges for the Traffic Court, is now Republic Act No. 1201, approved September 2, 1954.

H. No. 2569—An Act appropriating five hundred thousand pesos to defray the necessary expenses to negotiate a revision of the Agreement concerning trade and related matters between the Philippines and the United States, is now Republic Act No. 1195, approved August 25, 1954.

H. No. 2576—An Act to further amend the provisions of the 17% exchange tax particularly with regard to exemptions, is now Republic Act No. 1197, approved August 28, 1954.

H. No. 2577—An Act creating the Office of State Attorneys in the Department of Justice and defining its powers and duties and authorizing the appropriation of funds therefor, is now Republic Act No. 1198, approved August 28, 1954.

H. No. 2580—An Act to amend Republic Act Numbered Nine hundred eleven entitled, "An Act creating a Tariff Commission, defining its powers, and for other purposes", by inserting between sections eighteen and nineteen of said Act a new section to be known as section eighteen-A authorizing the President to raise or lower duties, is now Republic Act No. 1196, approved August 25, 1954.

S. No. 1—An Act to demonetize Treasury Certificates and Central Bank notes of over one hundred peso denominations and for other purposes, is now Republic Act No. 1191, approved August 25, 1954.

2147 Azcarraga

Telephone 3-25-19

METROPOLITAN INVESTIGATIVE AGENCY, INC.

PILFERAGE AND ARSON INVESTIGATIONS
LIE DETECTOR TESTS-DOCUMENT ANALYSIS

JOHN E. CURTIN, GEN. MGR.

AGENTS
BROKERS
CHARTERERS

TELEPHONES
3-34-20
3-34-29

American Steamship Agencies, Inc.

Manila and Tokyo

Cable Address:
"AMERSHIP"

212 Myers Bldg.
Port Area
Manila

PASIG RIVER BODEGAS

GENERAL BONDED WAREHOUSES



SOUTHWESTERN SUGAR & MOLASSES CO.

(FAR EAST), INC.

MOLASSES BUYER

145 Muelle de Binondo

Tel. 2-63-10

Pacific Far East Line, Inc.

THE ROUTE OF THE BEARS

Serving THE PHILIPPINES

JAPAN HONGKONG

U S. WEST COAST PORTS

FAST - REGULAR - DEPENDABLE

UNITED STATES LINES, INC.

GENERAL AGENTS

TELS. { 33601
33602
33603
33604

PORT AREA
MANILA

COLUMBIAN ROPE COMPANY OF PHILIPPINES, INC.

HEMP AND COPRA EXPORTERS

STEAMSHIP AGENTS

Singer Building
Port Area, Manila, P. I.

BRANCHES:
Davao • Tacloban • Cebu • Tabaco

FOR BETTER SERVICE—Call 3-29-05

ALLIED BROKERAGE CORPORATION

Marsman Building
Port Area

Individual attention and competent supervision
given to your customs brokerage requirements.

CUSTOMS BROKERAGE
FREIGHT FORWARDING
WAREHOUSING
TRUCKING
HEAVY HAULING

COST OF LIVING PRICE INDEX FOR WAGE EARNER'S FAMILIES IN MANILA, BY YEAR AND MONTH, 1935-1954 (1941=100)

Bureau of the Census and Statistics

Year and Month	All Items (100)	Food (63.43)	House Rent (11.96)	Clothing (2.04)	Fuel, Light and Water (7.73)	Miscellaneous (14.84)	Purchasing Power
1935.....	89.7	89.7	96.4	89.7	85.1	90.2	1.1148
1936.....	87.4	88.3	96.6	88.4	77.5	87.7	1.1442
1937.....	88.8	88.3	96.4	88.2	85.2	89.5	1.1261
1938.....	92.1	92.1	96.8	92.2	88.8	92.5	1.0858
1939.....	93.2	94.8	97.7	94.8	84.3	92.9	1.0730
1940.....	97.3	98.9	98.9	99.0	89.9	96.7	1.0277
1941.....	100.0	100.0	100.0	100.0	100.0	100.0	1.0000
1945.....	691.5	834.3	236.4	1448.4	379.1	650.9	0.1446
1946.....	521.7	649.4	236.4	649.7	348.2	383.3	0.1917
1947.....	387.2	415.4	453.9	256.8	310.0	272.2	0.2583
1948.....	364.2	386.1	453.9	208.4	288.9	259.1	0.2746
1949.....	343.7	357.9	453.9	198.4	272.9	251.1	0.2910
1950.....	332.9	333.7	453.9	270.7	252.0	282.8	0.3004
January.....	332.3	336.8	453.9	238.0	253.1	269.1	0.3009
February.....	335.3	340.2	453.9	233.3	257.8	273.0	0.2982
March.....	336.6	341.4	453.9	236.7	257.8	276.6	0.2971
April.....	329.1	328.6	453.9	237.7	252.9	283.1	0.3039
May.....	317.4	308.6	453.9	244.7	249.7	290.4	0.3151
June.....	319.3	310.9	453.9	243.5	249.7	293.5	0.3132
July.....	326.3	322.4	453.9	252.6	249.7	290.4	0.3065
August.....	327.3	325.9	453.9	258.7	251.1	280.2	0.3055
September.....	334.2	335.0	453.9	317.4	252.5	279.4	0.2992
October.....	345.5	351.1	453.9	337.3	249.7	285.4	0.2894
November.....	346.7	353.2	453.9	322.8	249.7	286.6	0.2884
December.....	344.9	350.5	453.9	325.2	249.7	285.7	0.2899
1951.....	352.6	361.5	453.9	365.3	248.0	285.7	0.2836
January.....	347.9	355.0	453.9	331.5	249.7	285.6	0.2874
February.....	351.7	359.8	453.9	342.8	249.7	289.0	0.2843
March.....	346.4	349.3	453.9	379.4	248.8	293.6	0.2887
April.....	355.3	362.6	453.9	398.6	247.5	294.6	0.2815
May.....	359.2	367.0	453.9	419.0	243.9	300.6	0.2784
June.....	360.5	372.2	453.9	399.5	247.5	288.5	0.2774
July.....	359.0	370.1	453.9	382.0	247.5	290.2	0.2786
August.....	357.8	371.4	453.9	354.0	247.5	280.2	0.2795
September.....	356.1	369.0	453.9	356.4	247.5	279.0	0.2808
October.....	351.0	361.1	453.9	350.4	247.5	279.0	0.2845
November.....	344.1	351.1	453.9	343.8	247.5	275.8	0.2906
December.....	341.9	348.9	453.9	335.2	247.5	272.1	0.2925
1952.....	339.4	347.4	453.9	295.9	244.1	268.4	0.2946
January.....	342.8	350.9	453.9	330.8	247.5	269.7	0.2917
February.....	341.2	349.8	453.9	311.2	243.4	268.5	0.2931
March.....	337.9	345.1	453.9	301.1	243.4	268.1	0.2959
April.....	335.9	342.7	453.9	300.7	243.4	264.6	0.2977
May.....	335.1	341.8	453.9	293.2	243.4	264.4	0.2984
June.....	338.1	346.3	453.9	290.2	243.4	265.5	0.2952
July.....	340.4	349.5	453.9	286.6	243.4	268.1	0.2938
August.....	340.7	349.4	453.9	289.1	243.4	269.9	0.2938
September.....	341.1	350.0	453.9	287.7	243.4	270.7	0.2935
October.....	337.6	344.6	453.9	289.3	243.4	269.4	0.2962
November.....	340.5	349.3	453.9	286.2	243.4	269.8	0.2937
December.....	340.9	348.9	453.9	284.4	247.5	272.3	0.2933
1953.....	318.2	314.3	453.9	280.1	243.7	269.5	0.3143
January.....	337.3	343.2	453.9	283.7	247.4	272.4	0.2965
February.....	323.0	321.1	453.9	281.5	243.4	273.0	0.3096
March.....	318.6	314.3	453.9	281.5	243.4	272.4	0.3139
April.....	317.6	312.8	453.9	281.1	243.4	272.2	0.3149
May.....	314.3	307.8	453.9	280.9	243.4	271.1	0.3182
June.....	313.1	306.0	453.9	277.8	243.4	271.1	0.3194
July.....	316.0	311.0	453.9	277.8	243.4	269.5	0.3165
August.....	316.1	311.9	453.9	277.8	243.4	266.4	0.3164
September.....	315.8	311.6	453.9	277.8	243.4	265.6	0.3167
October.....	315.3	310.6	453.9	279.9	243.4	266.4	0.3174
November.....	315.2	310.1	453.9	280.9	243.4	267.0	0.3173
December.....	315.5	310.7	453.9	280.9	243.4	267.0	0.3170
1954.....							
January.....	311.7	304.7	453.9	279.3	243.4	267.0	0.3208
February.....	301.5	290.0	453.9	278.3	232.1	267.0	0.3317
March.....	301.1	289.5	453.9	274.9	232.1	267.0	0.3321
April.....	302.9	292.5	453.9	272.2	232.1	266.8	0.3301
May.....	309.7	302.8	453.9	272.2	235.7	266.5	0.3229
June.....	312.6	306.9	453.9	271.8	238.4	267.3	0.3199
July.....	318.6	316.2	453.9	278.5	236.7	267.9	0.3139
August.....	321.6	320.7	453.9	274.7	236.7	269.3	0.3109

NOTE: Miscellaneous was revised from 1950 to May 1953 and clothing from February 1952 to May 1953.

Philippine Safety Council

By FRANK S. TENNY

Founder and Executive Director

EXTREMELY important safety matters are current. A brief summary follows:

Both the national and city Civil Defense and Disaster Organization plans have progressed from the "talk stage" to the "action stage". The Council has been deeply involved with both phases. On September 15 a large meeting was held at which national and city defense officials explained their programs to the assembled members of the Council, the Manila Taxicab Association, and the Security Delivery Service. More on this vital subject later.

The Council was instrumental in arranging for two officers of the Manila Police Department to be sent to the 1954-55 course in Police Traffic Administration at the Northwestern University Traffic Institute. The course begins in Chicago on September 23. Cooperation was received from Mr. Brenn of the FOA and Mr. Gibson, American Consul General. Upon graduation next June, Manila will have two properly trained traffic administrators.

You will notice that "Stop Thru Street" signs are being erected in Manila of new aluminum sheeting, plus Scotchlite ReflectORIZED Tape to make the sign vividly visible at night. This program was suggested by the Council, and the first to act were the Manila Trading & Supply Co. and the Vasquez Bros., Inc. Additional donors are being sought for this worthy project. Interested companies may contact the Council office.

Firms continue to join the Council, which gives added impetus to the industrial safety phase of our activities. New members include Shell Oil Co., Capitol Publishing House, A. M. Butte Co., Dagupan Trading Co., Brice Shafer, of A.P.L., Mrs. Virginia Gonder, and Atty. Antonio Nieva. Applications have been received from the Insular Lumber Co. and the H. Lyons Construction, Inc.

About 100 applications from members who wish to serve on one or more standing Safety Committees have been received. A final canvass is underway, after which the committees will be activated and meetings held. The interest shown has been gratifying, considering how busy most persons are these days. The subjects receiving the most attention are fire protection, driver and traffic matters, industrial accident prevention, and arson suppression.

Philippine Trade Proposals . . .

(Continued from page 336)

with respect to fixing of individual quotas already established on coconut oil, sugar, cordage, cigars, scrap tobacco, and pearl buttons.

"(8) If (1) and (2) are not acceptable, propose the continuation of the present trade provisions of Executive Agreement, provided the duties to be collected on Philippine products are paid back to the Philippine Government to be used for economic development and as stabilization fund to insure stability of the Philippine currency. Items (6) and (7) must be insisted upon.

"(9) It is imperative that the Philippine tariff system be revised. The tariff is one of the most important instruments in promoting the development of domestic industries. This device is used by all industrial nations. Even the United States, the most economically and financially stable country of the world, has a system of protective tariffs which is among the highest in the world.

"The tariff schedule should be so designed that only minimum rates purely for revenue purposes should be imposed on essential producer goods and essential consumer articles which are not and cannot be produced locally in the foreseeable future. With respect to consumer goods which may be produced in this country, the tariff rates should be high enough to States local industries a strong competitive position with imported products. These rates should be anywhere from 50 to 100%, depending on the degree of essentiality of the article, and the need of protection for the local enterprises. In general, it can be stated that the rates should be high enough to restrict the volume of imports to levels compatible with our foreign-exchange resources as will enable us to lift our trade and exchange controls.

"(10) That the provision in the present Executive Agreement governing immigration, and the rights and privileges extended to citizens in the field of public utilities, land ownership, and exploitation of natural resources be made reciprocal as between citizens of both countries.

"(11) That the provision of the present Executive Agreement requiring the Philippine Government to obtain the consent of the President of the United States before it can change the par value of the peso or restrict transaction in foreign exchange, be eliminated, and that the right of the Republic of the Philippines to control and administer its currency, subject only to its commitment to the International Monetary Fund, be recognized.

"(12) The Mission should stress the need for a Stabilization Fund, irrespective of any trade arrangement which may be agreed upon, in order to insure the stability of the Philippine currency, since it is the plan of the Philippine Government not only to decontrol imports but also to allow the remittance abroad (United States) of all current earnings of foreign firms and individuals engaged in business in the Philippines."

Subscribe to the

JOURNAL

To keep your files complete

Distribution outlets from Aparri to Zamboanga:

Sell through GETZ!

The widespread and effective GETZ Distribution system—outport offices and agencies in principal Philippine cities, fourteen sales trucks crisscrossing the major islands—assures you reaching more consumers, gives you greater market-coverage for your products!

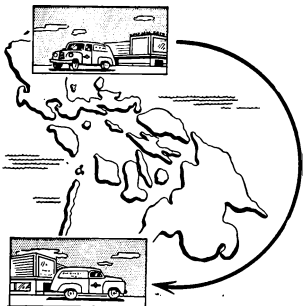
Which is why—

Such well-known imported products as Klim, Hemo, Ray-O-Vac batteries, Calumet, Swansdown, etc., get maximum distribution . . . the maximum distribution desired by such local manufacturers and products like the Original Mafran Sauce, Golden Harvest Soup products, B B B paper bags, Corona Straws, Mothes Cocos, Presto Cleansers, Gold Medal Spaghetti and Macaroni, Manlo Crowns . . . the maximum distribution that you want and will get for your own products when—

"GETZ SELLS IT FOR YOU!"

GETZ BROS. & CO.

Offices at: 135 MUELLE DE BINONDO, MANILA • TEL. 2-69-96 to 2-69-98
and MAGALLANES ST., CEBU CITY • TEL. 620
AGENTS AND REPRESENTATIVES: ILOILO • BACOLOD • DAVAO



The "LET YOUR HAIR DOWN"

Column

WE are pleased to record in this column that on the 20th of last month the Chamber Offices were transferred from the premises at No. 424 San Luis Street, occupied since February of 1952, to the Bay-side wing, ground floor, of the handsome Elks Club Building on the Luneta, only a few blocks down the street from the former location.

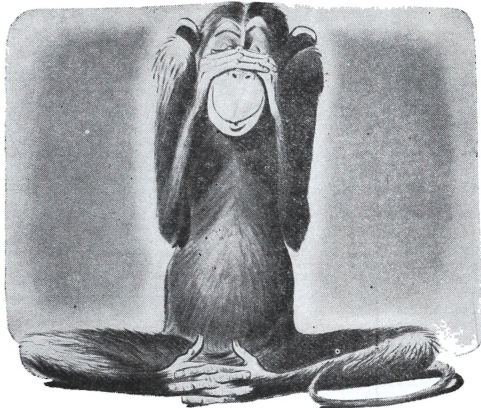
While we of the Chamber and Journal staffs have all been quite comfortable in the fine building owned by Judge Jose C. Zulueta, to whom we are beholden for many courtesies during the past several years, the new location brings a number of advantages, including an increase in floor space from some 200 square meters to nearly 300. The place is conveniently reached by car and

there is plenty of parking space, too. The general area is one of the most beautiful in all Manila.

Mr. Stanley N. Fisher, the new Executive Vice-President of the Chamber, has a private office of his own, and the *Journal* editor's office is larger than the one he occupied in the former quarters. All the others of us are comfortably placed and everyone during the first few days mentioned the fine, fresh air from the Bay and the Luneta.

Everyone is pleased with the Chamber Board for having put the matter through.

There is talk now of holding some sort of "house-warming" for the Chamber members and guests, but the plans for this have not yet been completed. However, as from now, everyone is welcome to drop in for a visit any time.



No "blind spot" on weight indications?

ask

Fairbanks-Morse

Fairbanks-Morse knows better than anyone else that a dependable scale mechanism is only one part of accurate weighing.

The rest? Minimizing the human element!

Fairbanks-Morse Scale Engineers created the Direct Reading Dial... virtually a dial behind a dial... that eliminates the chance for human reading errors. Regardless of the number of drop weights applied, weights are always read at the point of the indicator. As each drop weight is applied, the inner chart revolves,

automatically changing the figures on the chart. No need for mental calculations... no need to add to the reading on the chart... no possibility of making a mistake.

Starting in 1830 with the historic invention of the lever system which makes modern weighing practical, Fairbanks-Morse has consistently led in major scale developments, including the latest electronic weighing equipment. That's why, in every industry, in every land, Fairbanks-Morse Scales are known and respected.

Fairbanks, Morse & Co., Inc., Export Division,
80 Broad Street, New York 4, N. Y., U.S.A.



Established
in 1830



FAIRBANKS-MORSE

a name worth remembering when you want the best

EVERETT
STEAMSHIP CORPORATION
Owners-Brokers-Agents
Manila
155 Juan Luna St., Tel. 2-79-31
General Agencies
AMERICAN MAIL LINE
To and From
Portland Seattle
Vancouver Tacoma
Japan Philippines
Straits Indonesia
PACIFIC TRANSPORT LINES
To and From
California-Japan-Philippines
BARBER-FERN-VILLE LINES
To U.S. Atlantic
Via Suez, Suez, Madras, Rangoon

FERN-VILLE FAR EAST LINES
To and From
North Atlantic Ports
Gulf Ports-Philippines
Via Panama
MESSAGERIES MARITIMES
To and From
Europe and Mediterranean Ports
EVERETT ORIENT LINE
Between
Philippines, China, Japan
Korea, Straits, and India Ports
EVERETT STAR LINE
Between
Japan, China, Straits, India,
and Persian Gulf Ports

PHILIPPINE STEAM NAVIGATION CO.
Serving the Philippine Islands
UNITED STATES SALVAGE ASSOCIATION
UNITAS OSLO
THAI AIRWAYS
To and From
Bangkok, Singapore, Singapore
Hongkong, Taipei, Okinawa, and Japan

to an old-paper dealer, we write the public school authorities to ask whether they would like to have the old *Journals* for the teachers and school libraries. Shortly before transferring our quarters from 424 San Luis Street to the Elks Club Building we again wrote such a letter to Director Venancio Trinidad, of the Bureau of Public Schools, and received from him the following reply:

"I have your letter of July 6, and it is a pleasure to know that you are again planning to send us your excess copies of past issues of the *Journal*. We shall distribute to our secondary schools any number of copies you can send us. I am happy to learn that you are moving to more spacious quarters which, I hope, will mean a better and greater *Journal*. Thank you very much for your kind offer."

As for us, we are happy to know that the school authorities like to receive even back issues of the *Journal*. Much of the material contained in them is, of course, no longer of much or any value to ordinary readers, but some of the special articles and editorials on general topics are probably of more or less permanent interest. And for the historical record, of course, the whole *Journal* is of importance especially if the annual volumes are kept complete.

The *Journal* as a collectors' item came up in a letter from Mr. E. A. Perkins received by the editor this month. It read:

"The Japanese played havoc with my back issues of the American Chamber of Commerce *Journal*. With the outbreak of the war, I had everything practically complete up to 1941. Since then I have not been so careful in retaining my copies. As a consequence there are a number of missing copies which I would like to obtain in order to reestablish my set complete. They are as follows:

1923— Vol. 2—all.
January, 1937, to December, 1945—all.
1946— January, March, May, June, November, December.
1947— all.
1948— all.
1949— January, February, March, April, May, July, August, September, October, November, December.

1950— January, February, March, April, May, August, September, October, November, December.
1951— February, March, April, May.

"I have in mind to place an advertisement in the American Chamber of Commerce *Journal* and offer to purchase a good clean back number of any of the above. However, before doing so, please let me know if you have any of them in stock, with the amount, and I will send my messenger to receive and pay for them.

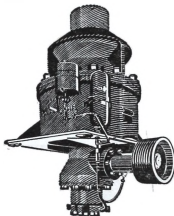
"When you are in Baguio, please make it a point to call at No. 8 South Drive and see my Filipiniana collection which I have housed here. At the present time I have over 5,000 titles. Very sincerely, etc."

Mr. Perkins has a far more complete set of the pre-war issues of the *Journal* than we have here at the Office, but we had duplicate copies



ALLIS-CHALMERS

MACHINERY for the Economical Processing
of Ore and Rock Products

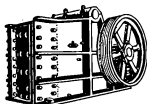


*HYDROCONE CRUSHER

Highly efficient for fine crushing. Has hydraulic control for quick, accurate setting and automatic protection against damage from uncrushable material.

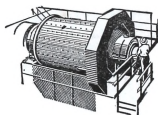


SCREENS—Eight basic types, in many sizes. We can help you select the correct screen for any purpose.



JAW CRUSHER

A machine of highest quality and large capacity for crushing of tough, abrasive materials.



GRINDING MILLS—Ball and rod mills, single and multi-stage units in a full range of types and sizes.

*Hydrocone is an Allis-Chalmers trademark

Exclusive Distributors:

THE EARNSHAW DOCKS & HONOLULU IRON WORKS

Main Office: Cor. TACOMA & 2nd STS., PORT AREA, MANILA • TEL. 3-35-41
Branch Offices at: BACOLOD CITY • CEBU CITY • P. O. BOX 282

• DUMP
YOUR TRAVEL
WORRIES
OVERBOARD!

for carefree
travel at
its best ...
consult



"Your travel agent in the Orient"

• TRAVEL COUNSELORS •
BOOKING AGENTS for all airlines
217 Daemarinas, Manila • Tel. 2-69-56

of eleven issues published during the years 1938, 1939, and 1941 which we could let him have. We could also furnish him with all the post-war issues he wanted except those for December, 1947, and May, 1951, which issues are now out of stock.

As the publication of the *Journal* was very irregular following the first post-war issue, that of December, 1945, and up to the issue for July, 1947, the first gotten out under the present editorship, we refer interested persons to the "Note for Librarians", published in that July issue, which lists all the numbers gotten out during that period,—only ten issues in all: December, 1945; February, April, July, August, September-October, November, and December, 1945; and February and April, 1947.

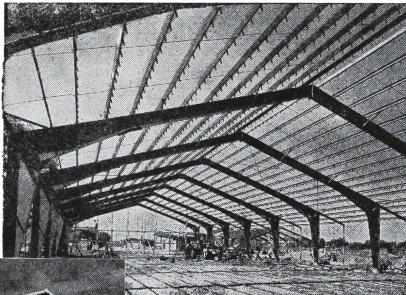
Index to Advertisers

	<i>Page</i>
Allied Brokerage Corp.....	362
American Steamship Agencies.....	361
Atlantic, Gulf & Pacific Co.....	365
Columbian Rope Co. of Philippines.....	362
Earnshaw Docks & HIW.....	365
Elser, E. E., Inc.....	358
Engineering Equipment & Supply Co.....	352
Erlanger & Galinger, Inc.....	359
Everett Steamship Corp.....	364
Firstbank, Morse Co.....	364
Getz Bros. & Co., Inc.....	363
Goodyear Tire & Rubber Co.....	Back Cover
Heilbronn, J. P. Co.....	357
Highland Shop, The.....	349
Insular Lumber Co.....	353
International Harvester Co.....	Inside Back Cover
Koppel (Philippines) Inc.....	359
Luzon Brokerage Co.....	356
Luzon Stevedoring Co.....	360
Mandlay, Inc.....	340
Manila Electric Co.....	333
McCullough Printing Co.....	357
Metropolitan Investigative Agency, Inc.....	361
Motox Service Co.....	359
National City Bank.....	350
Neuss, Hessein & Co.....	360
Pacific Far East Lines, Inc.....	361
Pacific Merchandising Corp.....	355
Paig River Bodegas.....	361
Philippine Education Co.....	358
Philippine Manufacturing Co.....	351
Picornell, Ortigas & Co.....	360
Security Delivery Service.....	356
Sharp & Co., Inc., C. F.....	365
Shell Co. of P. I., Ltd.....	341
Smith Bell Co., Ltd.....	354
Standard-Vacuum Oil Co.....	Inside Front Cover
United States Tobacco Corp.....	358

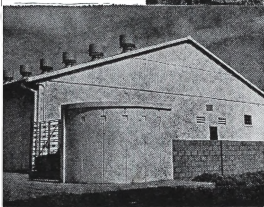
PRE-FABRICATED IN THE PHILIPPINES

**STANDARDIZED
RIGID-FRAME
MULTI-PURPOSE
BUILDINGS**

For:
**FACTORIES
SCHOOLS
WAREHOUSES
STORAGE-SHEDS**



The grade school cafeteria and the auditorium of the Ateneo de Manila have 70-ft. spans.



The steel warehouse of E. R. Squibb & Sons, fabricated and erected by AG&P

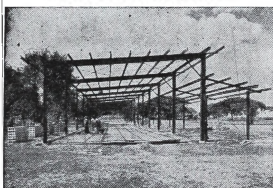
Designed and Fabricated in the Philippines by AG&P

Take advantage of our selection of standardized pre-fabricated buildings which can be offered as "packages" at special prices.

We have a selection of sizes which can cover your requirements.

"Know-How" Plus Experience Since 1905

Atlantic, Gulf & Pacific Co. of Manila
ENGINEERS * CONTRACTORS
MANUFACTURERS * DISTRIBUTORS



The shop buildings of the U. E. Technical School, each with 40-ft. rafter spans.

*Executive Offices • Engineering Div.
Structural & Machine Shops
Barrio Punta, Sta. Ana, Manila—Tel. G-75-31*

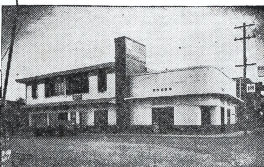
*Merchandise Sales Division
Robert Dollar Bldg., Port Area, Manila
Tel. 3-36-61 (Connecting all Depts.)*

The United States subscription rate to the *Journal* sent by ordinary mail for one year, is \$5.00.

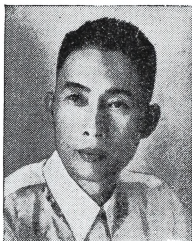
For \$13.00 a year the Journal Office will send monthly any selected page-clipping by air-mail in addition to sending the whole issue, as usual, by ordinary mail.



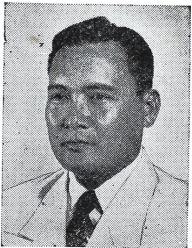
First home of International Harvester dealership in Ozamis City, established in 1948.



New base of operations provides 2,470 sq.m. for sales and service of International Harvester products.



Roque Lim, Business Manager and partner. As the operator of a big rice and corn mill and as a copra dealer, Roque's knowledge of rural conditions is considerable.



Nicolas Capistrano, Jr., founder and Gen. Manager of International Harvester's dealership in Ozamis City. "Nick" is a qualified engineer and a successful lumber man and sawmill operator.

Hon. Angel Medina, Mayor of Ozamis City, tells

How 2 men help augment prosperity for a province.

"One of the most interesting things about our rural economy is that it never stands still. There's always need for improvement and for men of vision to help people improve; which reminds me of two friends of mine, Nicolas Capistrano, Jr. and Roque Lim.

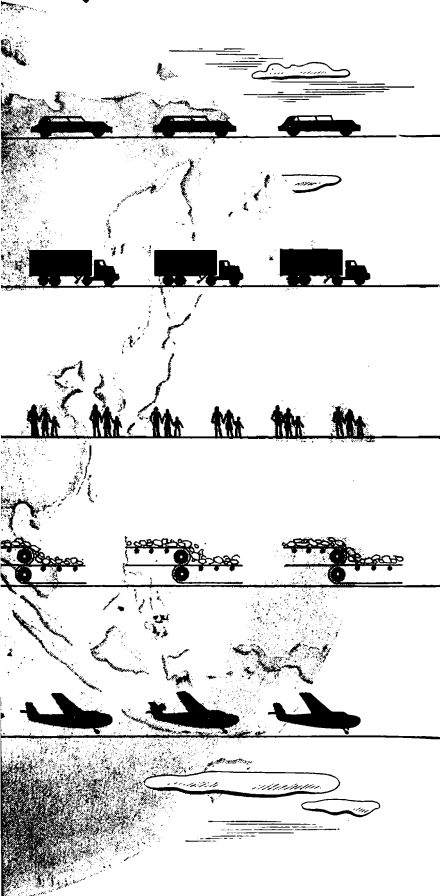
"Let me tell you about them. Back in 1948 "Nick" first had the idea of becoming an International Harvester dealer. With the company's help, he put his idea into action that same year. He started out with 5 employees. In 1950, he branched out to Dipolog, Zamboanga. And, in 1953 Roque Lim joined him as a partner. They make a wonderful team. Public demand grew and today, "Nick" and Roque employ 20 people and their business has increased by about 900%!

"What's more important, they're two of our most popular and useful citizens. You see, in our province, we produce

rice, corn, copra, lumber and various other items. And, throughout its 50 years in the Philippines, International Harvester has always considered rural improvement as one of its most important interests. As Harvester dealers, "Nick's" and Roque's job is to supply our needs for modern machines and equipment, facilities and trained men to service them, and the know-how to use them effectively. They help our people solve almost every kind of problem... from land preparation to harvesting bigger crops, from power for irrigation and electric light to power for increased industrial production, and transportation to move products and people to markets efficiently and at low cost.

"Of course, we're proud of Nicolas Capistrano, Jr. and Roque Lim. Our International Harvester dealers are doing a great job of giving rural development a helping hand."

The Wide World Over



MORE people ride on Goodyear tires than on any other make!



MORE tons are hauled on Goodyear tires than on any other make!



MORE people walk on Goodyear soles and heels than on any other make!



MORE tons are hauled on Goodyear conveyor belts than on any other make!



MORE airplanes land on Goodyear tires, tubes, wheels and brakes than on any other make!



GOOD YEAR